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Asian Rivals To Co-Host 2002 Soccer World Cup

South Korea Fought Bitterly With Japan Before Compromise

By Kevin Sullivan
Washington Post Service

TOKYO — Japan and South Korea will co-host the World Cup soccer championship in 2002, after the game's ruling body decided Friday that neither of the longtime bitter rivals could stand losing the tournament to the other.

Officials of the International Federation of Association Football (FIFA) announced the unprecedented co-hosting plan in Zurich, after a executive board meeting in which European and African officials persuaded other members that competition to be host of the first World Cup in Asia had become too bitter and divisive to choose between the only two bidders.

The tournament, which is expected to draw four million spectators and 40 billion television viewers worldwide, has been a prize coveted by each country for years.

South Korea, the most successful soccer nation in Asia, argued that it deserved the games by virtue of its soccer prowess and national fervor for the game. Japan said that it would offer cutting-edge high technology and facilities, and that the tournament would allow it to pay back the international soccer community for supporting its three-year-old professional league.

The competition has been fraught with allegations and suspicions befitting the uneasy relationship between the two countries, based largely on still vivid animosity over Japan's 1910-1945 occupation of Korea.

Both sides have accused each other of bribing FIFA officials and of sleazy campaigns to steal the tournament from the other.

Each side has spent hundreds of thousands of dollars in promotional campaigns and aggressive lobbying for the tournament. Each country had promised to build 11 new stadiums and renovate several existing ones, at a cost of billions of dollars, to prepare for the tournament, which rivals the Olympics in global interest and profitability.

Underlying the bidding competition has been the palpable distaste each

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Jan Hollander/Reuters

Benjamin Netanyahu saluting his supporters Friday in Jerusalem.

Netanyahu Assures Arabs

Mubarak Invites Israeli to Egypt for Talks

By Serge Schmemann
New York Times Service

JERUSALEM — Confirmed as the victor in Israel's leadership race by the narrowest of margins, Benjamin Netanyahu turned Friday to the task of reassuring anxious Arab neighbors and of sifting candidates for a new cabinet.

After counting absentee ballots through much of the day, the Israeli Election Commission finally declared Mr. Netanyahu the winner over Prime Minister Shimon Peres by fewer than 30,000 ballots, 1,501,023 votes to 1,471,566.

The closeness of the race was underscored by the fact that 145,000 voters had cast blank ballots for prime minister, indicating disenchantment with both candidates.

An estimated 12,000 of these were cast by Arabs, presumably to register their anger over the military operation in Lebanon last month.

The election commission also confirmed a new Parliament in which small parties will hold almost half the seats and religious groups will have an unprecedented representation, with more than a fifth of the votes.

The official count cleared Mr. Netanyahu to start shaping a coalition in the Parliament and forming a cabinet. Only when his government is accepted by Parliament will he formally be sworn in, the eighth person to serve as prime minister since the founding of the Jewish state in 1948.

Mr. Netanyahu made no immediate public statement, and his victory speech was not expected until Sunday evening. But his bustling camp reported that he had spoken by telephone with President Bill Clinton and the leaders of Egypt and Jordan, and that his candidates for the key ministries of foreign affairs and defense would be men from the moderate end of the spectrum in the conservative Likud Party that he leads.

[President Bill Clinton of the United States congratulated Mr. Netanyahu on his victory and invited him to Washington to discuss the next steps in the Mideast peace process. The Associated Press reported from Washington.]

[Mr. Netanyahu called President Hosni Mubarak of Egypt and said he was committed to promoting the peace process, Reuters reported from Cairo, quoting Egyptian state television.

[Mr. Netanyahu said he hoped to meet Mr. Mubarak, president of the first Arab country to make peace with Israel, in the next few weeks after he formed a government. President Mubarak replied that Mr. Netanyahu was welcome to visit Egypt "to discuss comprehensive peace in the Middle East."

["During the conversation Netanyahu affirmed his commitment to promote the peace process," the television said.]

During the telephone conversation with King Hussein of Jordan, according to the official Jordanian news agency, the king congratulated Mr. Netanyahu and "wished him all success in serving his people toward realizing comprehensive, just and lasting peace that could benefit all peoples of the region."

Prime Minister Peres, the Labor Party leader, congratulated his successor. Mr. Peres gave no indication of his own plans, but speaking briefly to reporters outside his office, he said he would stay true to the political process that he and the late Prime Minister Yitzhak Rabin launched with the Palestinians.

For all the displays of good will, the election revealed sharp divisions that set many Israelis anxiously pondering the state of their nation.

Above all, the voting demonstrated that peace with the Palestinians, so welcomed by the rest of the world when it was launched in 1993, raised more fear than hope among a majority of Jews in Israel.

Hemi Shalev, a columnist for the newspaper Ma'ariv, wrote: "Half of the public in Israel is now going around with a feeling that redemption is at hand, and the other believes that it is trapped in a hell on earth. Some rejoice, others weep."

Among the latter, Mr. Rabin's outspoken widow, Leah, created a stir when she told an interviewer: "All I want to do is pack my bags and get out of here."

The dominant question was how Mr. Netanyahu would proceed with the Arabs. In the immediate aftermath of the election, the prime minister-elect's advisers did their best to project a picture of moderation and reason.

A foreign affairs adviser to Mr. Netanyahu, Dore Gold, said he telephoned Mahmoud Abbas, a senior Palestine Liberation Organization official, better known as Abu Mazen, and had a "positive and businesslike response."

Mr. Gold, an American-born researcher with the Jaffee Center for Strategic Studies at Tel Aviv University, gave no details of the talk, which he claimed was the first contact anyone from the Likud Party has ever had with the PLO.

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Israeli settlers on the West Bank are pleased with the result. Page 4.

The Vote in Israel

Netanyahu	1,501,023 (50.4%)
Peres	1,471,566 (49.5%)
Netanyahu's margin :	29,457

Nervously, Neighbors Get in Touch With Each Other

By Douglas Jehl
New York Times Service

AMMAN, Jordan — Bracing themselves for the return of a Likud government in Israel, Arab leaders reached out to one another on Friday in contacts that included surprise talks between Egypt's foreign minister and President Hafez Assad of Syria.

The hasty diplomacy appeared part of a quest for new Arab solidarity in the face of Israeli election results regarded in Arab capitals as disruptive and even alarming.

With deep rivalries dividing Arab countries, their leaders have not held the kind of mass summit meeting that was once an emblem of their fraternity since shortly after Iraq invaded Kuwait six years ago. Disagreements over relations with Israel remain a source of tension. But it appeared Friday that the unexpected triumph of Benjamin Netanyahu in Israel had prompted an interest, at least, in greater inter-Arab collaboration.

"There is a feeling that the Arab states cannot afford to carry on with their isolated policies and their extremely limited agendas," a Jordanian official said.

Among new warnings sounded by Arab officials Friday was a published suggestion from a top Syrian diplomat that the implementation by Mr. Netanyahu of his campaign promises would propel Israel and its neighbors back to "the state of war and tension."

Newspapers from Lebanon to the United Arab Emirates joined in expressing alarm, but on what is officially an Islamic day of rest, the main thrust of Arab reaction appeared to be taking place in what one Egyptian official called "a small blitz" of telephone calls and private meetings.

The talks Friday between Mr. Assad and the Egyptian foreign minister, Amr Moussa, took place at the Syrian coastal resort of Latakia, where the Syrian president maintains a residence. Other contacts that began Thursday night included telephone calls placed by President Hosni Mubarak of Egypt to Mr. Assad and President Elias Hrawi of Lebanon, according to Arab diplomats who spoke on condition of anonymity.

The diplomats said there also had been important discussions between high-level officials of other Arab governments, but declined to provide further details.

Mr. Mubarak, who said earlier this week that he was making "a huge effort to restore Arab solidarity," is already scheduled to meet Wednesday in the Jordanian resort of Aqaba with King Hussein of Jordan and Yasser Arafat of the Palestinian Authority. That meeting, to take place one day before Mr. Netanyahu assumes his new

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Yeltsin Suffers Setback on Chechnya

By David Hoffman
Washington Post Service

MOSCOW — President Boris N. Yeltsin made another bid to co-opt his Communist Party rival on Friday, with an election manifesto emphasizing social needs, while his hopes for a political boost from the new Chechnya accord suffered a setback with postponement of negotiations on the eve of the planned cease-fire.

The delay of peace talks, which were to begin Saturday in the neighboring republic of Dagestan, was attributed to "technical problems," according to a Russian official quoted by Interfax.

But other news reports said the postponement followed fighting in the Chechen town of Shali, about 30 kilometers south of the capital, Grozny, which Russian soldiers encircled on Friday. The cease-fire was to go into effect Friday at midnight.

Mr. Yeltsin has been banking on the prospect of peace in Chechnya to help alleviate what polls show to be the heavy burden of the war on his re-election prospects.

Washington and Moscow agree to ease limits on Russian deployments in the Caucasus. Page 3.

The talks, which were to take place in Makhachkala, the capital of Dagestan, had been planned to work out a prisoner exchange and other details of the cease-fire protocol agreed to in Moscow.

Mr. Yeltsin, with an eye to social discontent that has fueled the campaign of the Communist Party candidate, Gennadi A. Zyuganov, published a 127-page election manifesto with a heavy emphasis on repairing the tattered Russian social safety net.

The plan would lavish new subsidies on veterans, pensioners, the poor, disabled, children and mothers, among those who have suffered the most in four years of free-market reforms.

"In the last few years we managed to fill our stores," Mr. Yeltsin declared in a speech in the Ural Mountains city of

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Jacques Jaimes/Reuters

Drazen Erdemovic, 24, going before the Hague tribunal on Friday.

Croat Soldier Pleads Guilty To Slayings At Srebrenica

Compiled by Our Staff From Dispatches

THE HAGUE — A young Croat wept on Friday as he pleaded guilty to taking part in a massacre of unarmed Muslim men after the United Nations-protected "safe area" of Srebrenica fell to Bosnian Serb forces in July 1995.

"I plead guilty," Drazen Erdemovic, 24, told the court.

He was the first defendant charged by the war crimes tribunal for the former Yugoslavia to plead guilty.

His plea will lend credibility to the three-year-old tribunal. Other suspects have all denied charges against them.

The admission also will increase the pressure on the Bosnian Serb leader, Radovan Karadzic, and his military commander, General Ratko Mladic, who have been indicted over their roles in the slaughter of thousands of Muslims from Srebrenica.

Mr. Erdemovic told the tribunal he had served in the Bosnian Serb Army and had been forced to take part in the summary execution of hundreds of Muslims who had already surrendered to the Serbs.

Prosecutors allege that forces under General Mladic killed thousands of Muslim men after seizing Srebrenica in

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AGENDA

U.S. Renews China Trade Status

WASHINGTON (Reuters) — President Bill Clinton on Friday renewed China's most-favored-nation trade status, setting the stage for a noisy election-year clash with Congress over policy toward the world's most populous country.

Mr. Clinton's much-telegraphed move, which technically took the form of a notification to congressional leaders, occurred despite frictions that have pushed Washington and Beijing to the brink of a trade war.

His action started the clock ticking on a 60-day period in which Congress can vote to block it. But the Senate and the House of Representatives would have to do so by a two-thirds margin — considered unlikely — to make their disapproval veto-proof.

Timothy Leary Dies

Timothy Leary, the Harvard clinical psychologist who became a proponent of psychedelic drugs during 1960s, died of prostate cancer Friday at 75 at his home in Beverly Hills, California. Page 3.

Dow Jones	Trib Index
Down 50.23 5643.18	Up 0.45% 137.55

The Dollar

New York	Fri. close	previous close
DM	1.5525	1.535
Pound	1.5513	1.5311
Yen	108.05	108.135
FF	5.1525	5.201

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Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	14 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20

Tulsa Marks Race Riot Anniversary by Finally Talking About It

By Lois Romano
Washington Post Service

TULSA, Oklahoma — At 92 years old, Robert Fairchild is losing his hearing, but he can still make out the distant shouts of angry white men firing guns late into the night 75 years ago. His eyes are not what they used to be, but he has no trouble seeing the dense, gray smoke swallowing his neighbors' houses as he walked home from a graduation rehearsal, a frightened boy of 17.

His has been a life of middle-class comfort, a good job working for the city, a warm family life. But he has never forgotten his mother's anguish in 1921 as she fled toward the railroad tracks to escape the mobs and fires that destroyed the black community of Greenwood.

"There was just nothing left," Mr. Fairchild said.

It was 75 years ago Saturday that Tulsa experienced one of the worst race riots in the history of the United States. The death toll during the 12-hour rampage is still in dispute, but estimates have put it as high as 250. More than 1,000 businesses and homes were burned to the ground, scores of black families were herded into cattle pens at the fairgrounds, and one of the largest and most prosperous black communities in the United States was turned to ashes.

A black teenager had been charged with assaulting a white teenager operating an elevator in a downtown building, an event still in dispute. An inflammatory article in a local newspaper brought out the white mobs that attacked Greenwood.

Until very recently, the events of June 1, 1921, were rarely spoken of publicly in white Tulsa. This Saturday is different. Blacks, whites, Christians and Jews come together at Greenwood's Mount Zion Baptist Church, torched during the riot and later rebuilt, to acknowledge for the first time this tumultuous moment in Tulsa's past. Benjamin Hooks, former executive director of the National Association for the Advancement of Colored People, will speak at a prayer service, and a black granite monument will be unveiled, dedicated to the neighborhood once known as "Black Wall Street."

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EU No Party to Hong Kong Fight

By Kevin Murphy
International Herald Tribune

HONG KONG — The European Union will not intervene in Britain's dispute with China over Beijing's threats to abolish the local legislature on July 1, 1997, Sir Leon Brittan, vice president of the European Commission, said Friday.

Despite bitter local opposition to plans to replace Hong Kong's first fully elected Legislative Council with a chamber appointed by Beijing, the EU can have little impact on the dispute, Sir Leon told a gathering of European chambers of commerce in Hong Kong.

"I don't think a European Union intervention can help resolve the impasse between the United Kingdom and China on this issue," he said. "We have not been asked to intervene by any of our member states."

"It would be a good thing for Hong Kong and good for Hong Kong in the eyes of the world if the issue of legislative continuity had been resolved between Britain and China," Sir Leon said.

But, he added later, "There are major differences between what one thinks about something and what one can do about it."

Against the background of its renewed efforts to engage China on trade and investment fronts, Europe's cautious stance leaves the United States alone among major powers willing to oppose China actively on its plans to abolish the local legislature.

However, with Britain refusing to label Beijing's plans a contravention of the Joint Declaration, no country is willing to aid London in a contentious area where its determination is at question.

"Why should anyone go further than Britain is willing to, especially when trade and business with China are so important in policy-making these days?" asked a diplomat who asked not to be named.

Beijing contends that the current legislature must go because Britain disregarded its opposition to electoral reforms enacted in time for voting last September.

Governor Chris Patten, local government officials and British officials including Prime Minister John Major have urged Beijing not to carry through on its threats, reminding the Chinese side that such a move would be bad for confidence in a jittery Hong Kong.

In his speech, Sir Leon pledged that the EU would "watch with vigilance" to ensure that Beijing honors its overall commitments to the 1984 Chinese-British Joint Declaration, which determines Hong Kong's return to Chinese rule.

On China's bid to join the World Trade Organization, Sir Leon repeated the EU's stance that it was open to further negotiations but that a number of Chinese policies, including its recent move to tighten control over economic news services, would complicate those talks.

■ Rules for the Press

Hong Kong journalists can criticize China but cannot advocate independence for Taiwan after the British colony reverts to Chinese rule, Beijing's top policymaker on Hong Kong said Friday, Reuters reported from the Chinese capital.

Lu Ping's remark, made in an interview with Cable News Network, appeared to confirm fears of many Hong Kong journalists that press freedom will be limited after the handover.

Asked if the Hong Kong press would be allowed to advocate "two Chinas" — dual diplomatic recognition of Beijing and Taipei — Mr. Lu shook his head and said, "Absolutely not."

Beijing says it is the sole, legitimate government of all China and has considered Taiwan a rebel province since the rivals were separated at the end of the Chinese civil war in 1949.

Mr. Lu said criticism of China by Hong Kong media would be allowed conditionally.

"They can criticize the government," he said. "They can object to our policies. They can say anything they like but if it led to action they have to be careful. If they really want to overthrow the central government, that's another thing."

Thomas Cheng/Agence France-Presse
Sir Leon Brittan discussing EU policy in Hong Kong.

Sinn Fein Runs Strongly in Ulster Vote

By James Clarity
New York Times Service

BELFAST — Sinn Fein, the political wing of the Irish Republican Army, gained unusually strong support in an election to provide negotiating teams for the first full-fledged peace talks in Northern Ireland since sectarian guerrilla warfare erupted in this British province in 1969.

The results of the election, announced Friday, showed that Sinn Fein won more than 15 percent of the vote, its strongest electoral showing in the 12 years it has run candidates in province-wide polls.

The outcome, analysts and politicians said, appeared to reflect the desire of voters to encourage Sinn Fein to persuade the IRA to end its campaign of violence, and to impress on London that Sinn Fein should be allowed to attend the talks.

Many of the votes for Sinn Fein, which finished fourth overall, came from people who normally support the mainstream Catholic Social Democratic and Labor Party of John Hume.

The SDLP, which normally receives two-thirds of the Roman Catholic vote to Sinn Fein's one-third, finished in third place, behind the major Protestant parties, the Ulster Unionists of David Trimble and the Democratic Unionists, headed by the Reverend Ian Paisley.

In the election, ordered by the British government against the will of most of the major parties, Sinn Fein made the most dramatic gains. But the other major parties easily qualified for the negotiations.

The procedures of the election were geared to ensure places at the peace table for smaller political groups allied with Protestant paramilitaries. They qualified by finishing among the 10 parties winning the most votes, as did the Northern Ireland Women's Coalition, an energetic new group determined to bring nonpartisan nonsectarian voices to the peace table.

Far Left Helps Prodi Win Test Vote

By Celestine Bohlen
New York Times Service

ROME — Prime Minister Romano Prodi's new center-left government passed its critical test in the Chamber of Deputies on Friday, winning a vote of confidence with the "conditional" help of 35 hard-line leftist deputies whose support it needs for a majority.

Coming after a comfortable victory in the Senate last week, the 322-to-299 vote in the Parliament's lower house gave the new government full powers, six weeks after a leftist-leaning coalition won national elections for the first time in Italian history.

But the Olive Tree, the new grouping headed by the politically untested Mr. Prodi, fell short of a majority of seats in the 630-member Chamber of Deputies, and will have to rely as it did Friday on the small Communist Refounding Party, a splinter group of extreme leftists, to carry out a program that mixes fiscal austerity with political change.

Mr. Prodi, who this week went to Germany on his first foreign visit as prime minister, has signaled his determination to cut back Italy's deficit as he prepares to bring the Italian lira back into Europe's exchange rate mechanism by year's end and eventually to qualify for the currency union.

He told the Parliament on Friday that he hoped to pass a supplementary minibudget in time for the European Union summit meeting in Florence on June 21 that would bring public spending in line with original yearend targets.

"We cannot delay the minibudget in order to achieve lower interest rates," he said, adding that the lower rates were crucial for improving public finances.

The Bank of Italy said Friday that this year's budget deficit will exceed its target of 109.4 trillion lire ($7 billion) by 17 or 18 trillion lire. Mr. Prodi's supplementary budget — which is sure to include further spending cuts — will put to a quick test to his relations with the Communist Refounding Party, whose leader, Fausto Bertinotti, has already expressed concern that social welfare will be sacrificed to fiscal austerity.

In voting for the confidence motion, Mr. Bertinotti said he was expressing his "conditional confidence" in the government, a sign that his party's support is by no means guaranteed.

French Priest Cites 'Zionist' Pressure

Compiled by Our Staff From Dispatches

MILAN — A French priest who drew sharp criticism for his support of a revisionist text on the Holocaust was quoted Friday as saying that the press and "an international Zionist lobby" had pressured the Roman Catholic Church in France into rebuking his views.

"If the church intervened it was simply because of pressure from the media," the priest, Abbé Pierre, was quoted as telling the Milan daily Corriere della Sera. "And the media was inspired by an international Zionist lobby — of this I am absolutely certain."

Abbé Pierre, 83, one of the most popular people in France for his campaigns against homelessness and poverty, was rebuked last month by church authorities after praising a book that questions the number of Jews killed in the Holocaust. The book, "The Founding Myths of Israeli Politics," by Roger Garaudy, also accuses Israel of exploiting the Holocaust for political ends.

"I am sure the French journalists have not read the letter I sent to my old friend Roger Garaudy," he was quoted as saying. "They have extrapolated some sentences and interpreted it, accusing me of revisionism."

Abbé Pierre has condemned any attempt to play down the "atrocious reality" of Jewish genocide under Hitler but has said he would withdraw his support for Mr. Garaudy's book only if his friend failed to admit "any mistake proven against him."

Anti-racism movements in France heaped criticism on Abbé Pierre. He removed himself to an Italian monastery and was advised by the Catholic Church in France to keep quiet. He flew back to Paris on Thursday.

"The pressure of the mass media, the bizarre campaign orchestrated against me forced me to leave my country for a while," he said in the interview with Corriere della Sera. "It was an unpleasant experience."

He said he had spent two weeks at the monastery, near Padua, and would be in Paris for three weeks before going to Switzerland for three months of rest. He shrugged off the controversy, saying that he had always spoken out on universal human dramas. Asked about the damage to his image, he said, "I don't give a damn." *(AP, Reuters)*

BRIEFLY EUROPE

EU Urges Albania Vote Rerun

TIRANA, Albania — European nations piled pressure on President Sali Berisha of Albania on Friday to organize a partial rerun of a general election because of doubts over its fairness, but he vowed to press ahead with a second round of voting.

The Italian Foreign Ministry, on behalf of the European Union, told the Balkan nation that its relations with the EU could suffer unless the electoral process conformed to democratic standards.

"This includes the repetition, in compliance with current electoral rules in Albania, of elections in constituencies in which grave irregularities were ascertained," a ministry statement said. *(Reuters)*

No U.K. Baby Milk Risk Is Seen

BRUSSELS — The European Commission has studied a report on the British baby milk scare and agreed with British authorities that the products concerned pose no risk, a commission spokesman said Friday.

The officials studied a report from Britain on test results showing that nine brands of baby milk contained traces of chemicals that could impair fertility. The spokesman said the officials agreed with its finding that the chemicals did not threaten babies' health. *(Reuters)*

French TV Chief Steps Down

PARIS — Jean-Pierre Elkabbach resigned as the head of France Télévision on Friday in a scandal over multimillion-dollar fees paid to star entertainers.

Mr. Elkabbach, 58, whose three-year contract was due to expire in December, said that he did not want attacks on him to damage the state-owned company, which runs the France 2 and France 3 channels. *(Reuters)*

Spanish Leader to Visit Chirac

MADRID — Prime Minister José María Aznar of Spain will visit Paris on Saturday for talks with President Jacques Chirac on bilateral issues, including the fight against Basque guerrillas.

The visit by Mr. Aznar, who took office in early May, completes his new conservative government's round of meetings with its immediate neighbors.

French police on Thursday arrested a presumed ETA member, María Nagore, who may have been involved in an attempt to assassinate Mr. Aznar last April. *(Reuters)*

Tapie Gets 6-Month Sentence

PARIS — Bernard Tapie was sentenced Friday to six months in prison and banned from running a business for 10 years over the management of his luxury yacht.

Mr. Tapie, 53, a millionaire who became a minister in a Socialist-led government in 1992-93, was found guilty of tax fraud, abuse of company assets and bankruptcy. In two separate rulings, he also received a total of three and a half years in suspended jail sentences. *(Reuters)*

TRAVEL UPDATE

U.S. Airlines Propose Fee System

WASHINGTON (AP) — Large U.S. airlines have proposed a new fee system that would cost passengers less than the government's lapsed 10 percent tax that it would replace.

The failure to renew the 10 percent tax on airline tickets has cost the government $1.3 billion through the end of April.

A bill to restore the tax is moving through the House, while the Senate is considering a separate measure to replace it with a fee system.

Paris-Madrid Night Train Shifted

MADRID (AFP) — The Puerta del Sol night train between Paris and Madrid will stop operating Sunday, the Spanish national railways said Friday.

The change is part of a restructuring of train services between France and Spain. The Puerta del Sol will be replaced with Francisco de Goya trains, made up of modern cars.

RELIGIOUS SERVICES

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653.

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NICE: Holy Trinity, (Anglican/Episcopalian), 11 rue de la Buffa: Sunday Eucharists at 11 a.m.; Weekdays as on notice board. VENCE: St-Hugh's, ave. de la Résistance: Sunday Eucharist at 9 a.m. Contact Father Ken Letts 93 67 19 83.

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INTERNATIONAL CHRISTIAN ASSEMBLY (AOG), Sundays English 10:00, Bilingual 12:00 - 16 Kreschatik St., (38044) 244-3376.

MUNICH

INTERNATIONAL COMMUNITY CHURCH, Evangelical Bible Believing, services in English 4:30 p.m. Sundays at Enhuberstr. 10 (U2 Theresienstr.) (089) 850-8617.

PARIS and SUBURBS

EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. *Early service and Sunday School - 9:45* a.m. Second service with Children's Church - 11:00 a.m. Rev. Scott Steerman. *Call 47.51.29.63 or 47.49.15.29 for information.*

HOPE INTERNATIONAL CHURCH *Hotel Orion at Paris-la-Défense, 8 bd. de Neuilly.* Worship Sundays 9:30 a.m. Rev. Douglas Miller, Pastor. Tel.: 43.33.04.06. *Métro 1 to la Défense Esplanade.*

SAINT JOSEPH'S CHURCH (Roman Catholic). Masses: Sunday: 9:45 & 11:00 a.m., 12:15 & 6:30 p.m.; Saturday: 11:00 a.m. & 6:30 p.m.; Monday to Friday: 8:30 a.m. 50, avenue Hoche, Paris 8th. Tel.: *42.27.26.56. Metro: Charles de Gaulle - Etoile.*

ST. MICHAEL'S CHURCH (evangelical Anglican). Sundays 10:30 a.m. (with children's club and creche) and 6:30 p.m. Midweek study groups. Christ-centered fellowship in the heart of Paris. 5 rue d'Aguesseau, 75008, Tel.: 47.42.70.88. Metro: Concorde.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Iidabashi Stn. Tel.: 3261-3740. Worship Service: 9:30 a.m. Sundays.

USA

If you would like a free Bible course by mail, please contact: L'EGLISE de CHRIST, P.O. Box 513, Staunton, Indiana 47881 U.S.A.

ZURICH-SWITZERLAND

ENGLISH-SPEAKING CATHOLIC MISSION; St. Anton Church, Minervastraße 93, near Kreuzplatz. Services conducted in English. Sunday Mass: 8:30 a.m. & 11:30 a.m. Services held in the crypt of St. Anton Church.

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33/1 47 20 17 92. Metro: George V or Alma Marceau.

FLORENCE

ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II, Via Bernardo Rucellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT

CHURCH OF CHRIST THE KING (Episcopal/Anglican) Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Rinz St. 22, 60323 Frankfurt, Germany. U1, 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA

EMMANUEL CHURCH, 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. 3 rue de Monthoux, 1201 Geneva, Switzerland. Tel.: 41/22 732 80 78.

MUNICH

THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Harlaching), Germany. Tel.: 49/89 64 81 85.

ROME

ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided; 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3359 or 39/6 474 3569.

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 *a.m. Holy Eucharist and Sunday School.* 563 Chaussée de Louvain, Ohain, Belgium. Tel. 32/2 384-3556.

WIESBADEN

THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m. Family Eucharist. Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

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I.B.C., BERLIN, Rathenburg Str. 13, (Steglitz). Bible study 10.45, worship at 12.00 each Sunday. James Heflin, pastor. *Tel.: 030-774-4670.*

BONN/KÖLN

I.B.C. OF BONN/KÖLN, Rheinau Strasse 9, Köln. Worship 1:00 p.m. Calvin Hogue, Pastor. Tel.: (02236) 47021.

BREMEN

I.B.C. (English language) meets at Evangelisch-Freikirchlich Kreuzgemeinde, Hohentorshestrasse Hermann-Bose-Str. (around the corner from the Bahnhof) *sunday worship* 17:00, Pastor Steve Sligh. Tel. 04791-12677.

BUCHAREST

I.B.C., Strada Popa Rusu 22, 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3660.

BUDAPEST

I.B.C., meets in Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sundays, 10:00 Coffee Fellowship, 10:30 Worship. *Take Bus 11 from Batthyany ter.* Other meetings, call Pastor Bob Zbinden, Tel. 250-3932.

BULGARIA

I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 669 686.

CELLE/HANNOVER

I.B.C., Windmulen Strasse 45, Celle 1300 Worship, *1400 Bible Study*, Pastor James Wilson. Ph. (05141) 46418.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP, Sodenestr. 11-18, 63150 Bad Homburg. A friendly, Christ-centered, church serving the English-speaking community. Sunday Worship, S.S. & Nursery 09:45, Weekday Groups. Pastor: M.P. Levey. Call 06173-82728.

BETHEL I.B.C. Am Dachsberg 92 (English), Worship Sun. 11:00 a.m. and 6:00 p.m. Tel.: 069-549559.

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TRINITY INTERNATIONAL invites you to a Christ centered, loving fellowship. Worship Services 9:00 a.m. and 10:30 a.m. with nursery Bloemcampiaan 54, Wassenaar 070-517-8024.

KIEV

I.B.C. English Language Service. 10:00 at 3-a Tolstoga Str. (Metro same). Pastor Buddy Barnett, ph. 269-8148.

LISBON

I.B.C. Second Floor of Third Baptist Church, Rua Filipe Folque 36, 10:00 Bible Study, 11:00 Worship. Pastor Larry Ross. Tel.: 418-51136.

MOSCOW

I.B.C. Meeting 1100: Kino Center Building 15 Druzhinnikovskaya UL 5th Floor, Hall 6, Metro Station Barrikadnaya Pastor Don Deel, Tel.: (095) 971 3558.

MUNICH

I.B.C., Holzstr. 9 English Language Services. Bible study 15:45. Worship Service 17:00. Pastor's phone: (089) 680 8534.

NICE - FRANCE

I.B.C. 13 rue Vernier, English service, Sunday evening 19:30, pastor Roy Miller - Tel.: (093) 320 596.

PRAGUE

INTERNATIONAL BAPTIST FELLOWSHIP meets at the Czech Baptist Church Vinohradska # 68, Prague 3. At metro stop Jiriho Podebrad Sunday a.m. 11:00 Pastor: Al major, Tel.: (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Worship 1400 at Swedish Church, Chaussee de Charleroi 2 across from McDonalds. Tel.: 085 225076.

ZURICH - SWITZERLAND

I.B.C of Zürich, Gheistrasse 31, 8803 *Rüschlikon, Worship Services Sunday* mornings 10:30. Tel.: 1-4810018.

ASSOC. OF INT'L CHURCHES

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

FRANKFURT

TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (Across from Burger Hospital), Worship 11 a.m. w/Child care. Tel.: (069) 559478 or 512552.

GENEVA

EV. LUTHERAN CHURCH 20 rue Verdaine. Sunday worship 9:30. In German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 281-049.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door. Metro Alma-Marceau or Invalides.

VIENNA

VIENNA COMMUNITY CHURCH. Sunday worship in English 11:30 A.M., Sunday school, nursery. International, all denominations welcome. Dorotheergasse 16, Vienna 1.

ZURICH

INTERNATIONAL PROTESTANT CHURCH *English speaking, worship* service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2825525.

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De Klerk's Party Wins in Cape

'Colored' Vote Heavily for Nationalists in Local Election

Compiled by Our Staff From Dispatches

CAPE TOWN — Frederik W. de Klerk's conservative opposition National Party was heading for victory in most regions which were taking part in local government elections in the Western Cape, officials said Friday.

Provisional results from Wednesday's voting showed the Nationalists ahead by a large margin in five of six major Cape Town areas, a provincial polling coordinator, Joppa le Roux, told the SAPA news agency.

President Nelson Mandela's African National Congress, on the other hand, has performed below expectations, he said, doing well only in the city center.

"It's hard not to see this as a slap in the face for President Mandela, who campaigned hard and very publicly," said Robert Schrire, a political scientist at the University of Cape Town.

"We are seeing a racial polarization of support between blacks backing the ANC and others lining up behind the NP."

Smaller parties in the city's first all-race municipal election were swept aside as the contest for greater Cape Town narrowed to a race between the Nationalists and the African National Congress.

"This has been about national issues, about the ANC's record after two years in government, about its perceived inability to deliver," said Robert Cameron, a political analyst.

For Mr. de Klerk's party, it also was the first test of voter sentiment since the party decided earlier this month to quit President Mandela's government of national unity and become South Africa's main opposition party instead.

Traditional white strongholds of the liberal Democratic Party in the Cape fell to Mr. de Klerk's Nationalists and the region's mixed-race "colored" also sided with the white Afrikaners, who disowned them during 42 years of apartheid. *(AFP, Reuters)*

WEATHER

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	24/75	16/61 pc	26/79	18/64 s
Amsterdam	19/66	11/52 pc	17/62	11/52 pc
Athens	19/66	12/53 sh	22/71	16/60 pc
Athens	33/73	18/64 pc	29/79	18/64 pc
Barcelona	26/79	18/61 s	28/71	16/61 pc
Belgrade	28/82	17/62 c	29/84	19/66 r
Berlin	30/86	17/62 s	22/71	13/55 t
Brussels	23/73	11/52 pc	19/66	9/48 pc
Budapest	27/80	16/61 s	30/86	16/64 s
Copenhagen	24/75	16/61 pc	19/66	9/48 r
Costa Del Sol	27/80	18/64 s	26/79	19/66 pc
Dublin	13/55	8/43 c	13/55	9/43 r
Edinburgh	12/53	8/46 c	12/53	7/44 c
Florence	29/84	14/57 s	29/84	17/62 s
Frankfurt	31/88	17/62 s	28/79	14/57 pc
Geneva	27/80	14/57 s	21/70	12/53 sh
Helsinki	14/57	7/44 pc	17/62	10/50 r
Istanbul	21/70	15/59 pc	23/73	15/59 pc
Las Palmas	29/79	20/68 s	28/79	19/66 s
Lisbon	22/71	13/55 s	24/75	18/64 s
London	21/70	8/46 pc	17/62	8/46 pc
Madrid	27/80	17/62 pc	25/77	14/57 c
Milan	29/82	17/62 s	29/84	17/62 s
Moscow	19/61	7/44 c	19/66	12/53 pc
Munich	29/79	15/59 s	24/75	13/55 c
Nice	25/77	14/57 s	25/79	16/61 s
Oslo	20/68	12/53 r	17/62	4/39 c
Palma	25/77	17/62 s	20/68	16/61 pc
Paris	23/73	13/55 c	21/70	9/48 c
Prague	28/82	14/57 s	27/80	14/57 pc
Reykjavik	10/50	7/44 r	9/48	4/39 r
Rome	29/79	13/55 s	27/80	17/62 s
St. Petersburg	15/59	4/39 c	20/68	12/53 pc
Stockholm	17/62	10/50 pc	18/64	8/46 pc
Strasbourg	31/88	17/62 s	20/68	13/53 r
Tallinn	15/59	7/44 pc	18/61	10/50 r
Venice	29/79	18/64 pc	29/79	18/64 pc
Vienna	29/79	14/57 s	27/80	17/62 s
Warsaw	21/70	14/57 r	22/80	15/62 pc
Zurich	28/82	16/61 pc	22/71	13/55 t

Oceania

Auckland	18/61	10/50 c	17/62	11/52 pc
Sydney	21/70	13/55 pc	21/70	13/55 pc

Forecast for Sunday through Tuesday, as provided by AccuWeather.

Jetstream — Unseasonably Cold — Unseasonably Hot — Heavy Rain — Heavy Snow

North America
Seasonably warm with little or no rain Sunday through Tuesday in New York City and Washington, D.C. In contrast, numerous showers and thunderstorms are likely in Chicago and Toronto. Los Angeles and San Francisco will be dry and hot, especially away from the beaches.

Europe
Dry most of the time in London with near-normal temperatures. Rain in Paris Sunday, then drying out early in the week. Cooler in Madrid and Lisbon; turning unsettled in Rome with showers and thunderstowers. Dry and warm in Athens and Copenhagen.

Asia
A storm will bring soaking rains to Shanghai Sunday into Monday. Rains from that storm could fall on Seoul Monday. Warm in Tokyo Sunday, then a chance of showers and thunderstowers early in the week. Warm and muggy in Hong Kong and Singapore Sunday through Tuesday.

Middle East

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Abu Dhabi	40/104	29/84 s	39/102	27/80 s
Beirut	23/73	17/62 pc	23/73	18/64 c
Cairo	28/82	15/59 s	23/64	16/61 pc
Damascus	28/82	9/48 s	24/75	12/53 s
Jerusalem	23/73	13/55 s	23/73	15/59 pc
Luxor	43/109	21/70 s	42/107	21/70 s
Riyadh	43/109	25/77 s	45/113	27/80 s

Africa

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algiers	25/79	16/61 s	25/79	17/62 s
Cape Town	11/52	6/43 r	13/55	6/43 c
Casablanca	27/80	15/59 s	22/79	19/64 s
Harare	19/64	11/52 pc	20/68	9/48 t
Lagos	30/86	24/75 c	30/86	25/77 r
Nairobi	19/66	12/53 c	21/70	12/53 c
Tunis	25/77	14/57 s	26/82	17/62 s

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Bangkok	34/93	28/79 c	34/93	25/77 c
Beijing	35/95	21/70 s	34/93	24/75 c
Hong Kong	29/84	24/75 c	29/84	24/75 pc
Manila	34/93	23/73 pc	34/93	23/73 s
New Delhi	44/111	31/88 s	46/116	31/88 s
Seoul	30/86	19/64 s	28/84	17/62 pc
Shanghai	29/79	18/61 s	28/79	19/66 pc
Singapore	32/89	23/73 c	33/91	23/73 pc
Taipei	28/82	23/73 sh	29/84	22/71 r
Tokyo	25/77	14/57 pc	29/71	13/55 s

Latin America

Buenos Aires	22/71	12/53 pc	19/66	9/48 pc
Caracas	31/88	20/68 pc	32/89	21/70 pc
Lima	21/70	17/62 s	21/70	17/62 pc
Mexico City	28/82	14/57 pc	27/80	12/53 pc
Rio de Janeiro	25/77	19/66 pc	29/77	19/66 pc
Santiago	19/61	-4/31 s	14/57	3/37 pc

North America

Anchorage	19/66	8/46 pc	21/70	10/50 pc
Atlanta	28/82	16/61 s	23/73	17/62 pc
Boston	23/73	14/57 s	23/73	14/57 r
Chicago	24/75	13/55 s	24/75	12/53 r
Denver	23/73	9/48 s	24/75	10/50 s
Detroit	24/75	12/53 s	23/73	12/53 pc
Honolulu	29/84	21/70 c	29/84	23/73 pc
Houston	36/97	22/71 c	31/88	19/66 pc
Los Angeles	28/79	17/62 s	31/88	19/66 s
Miami	32/89	23/73 t	31/88	24/75 pc
Minneapolis	23/73	13/55 c	23/73	13/55 r
Montreal	21/70	8/46 pc	28/79	9/48 pc
Nassau	30/86	23/73 pc	30/86	23/73 pc
New York	23/73	12/53 s	24/75	13/55 s
Phoenix	37/98	23/73 s	40/104	24/75 s
San Fran.	22/71	12/53 s	24/75	12/53 r
Seattle	19/66	10/50 pc	21/70	11/52 r
Toronto	24/75	9/48 pc	23/73	9/48 pc
Vancouver	18/64	13/55 sh	22/71	12/53 pc
Washington	24/75	13/55 s	28/79	14/57 pc

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Along U.S. Ideological Divide, Children Are a Point of Discord

By Barbara Vobejda
Washington Post Service

WASHINGTON — Thousands of marchers will converge on the mall in the center of Washington on Saturday for a cause that would seem to have no enemies: children.

But in a society that says it reveres children, few issues are more ideologically charged. And as the bitter criticism exchanged between rally organizers and their conservative opponents has illustrated, there may be no other issue that so encapsulates the ideological debate that has raged in Washington since the 1994 election.

The Stand for Children march, as it is called, has been sold as an "expression of altruism," said Kenneth R. Weinstein, director of the government-reform project at the conservative Heritage Foundation. But instead, he argues in a paper released by the group, it is "a continuation of a calculated strategy to expand the welfare state."

Marian Wright Edelman, whose Children's Defense Fund has organized the march, responded at a news conference that the critics do not worry about government spending when the recipients are corporations or the military.

"The issue isn't big government, it's fair government and effective government," she said.

That view will be implicit in what the march's 3,000 sponsoring organizations hope will be a huge, visible display of public support for a renewed national commitment to meet the varied needs of children. Organizers have refused to speculate on the number of people they expect, but said that more than 3,000 buses have been chartered to carry marchers.

For Ms. Edelman and other liberal advocates, Stand for Children is also a chance to redefine the terms of a debate that have largely been dictated by a congressional majority hostile to government spending, particularly for the poor.

The advocacy groups appeared powerless during much of the debate last year over welfare reform, which became the main forum for presenting the conservative view that government programs foster a culture of dependency in which children grow up without any real sense of responsibility.

Proposals the groups viewed as devastating to children sailed through the House and passed with a large bipartisan majority in the Senate. Only later did the advocacy groups became visible, putting pressure on President Bill Clinton to say he would veto the bill.

To conservative critics the march is another example of how groups such as the Children's Defense Fund cling to a failed welfare system and government programs that do not resolve the fundamental problems of children, whatever their backgrounds. The solutions to those problems lie in stronger families, not in more programs, according to the Family Research Council.

The Heritage Foundation, for its part, repeated another frequent conservative criticism — that because many of the march's sponsors rely on federal contracts, they are acting out of self-interest when they push for government programs.

The charges and counter-charges however, are overshadowed by a more-enduring problem for children's advocates: if they can draw tens of thousands of people from across the country to a march, and if polls show strong public support for their cause, why do their issues seem to be faring so poorly?

It became evident in the welfare debate last year that the linkage between children's needs and welfare clearly worked against the advocates. Polls for years have shown widespread support for spending to help needy children, but much less willingness to fund welfare programs.

And yet, with 20 percent of the nation's children living in poverty, welfare and other programs for the disadvantaged must remain a high priority for children's advocates. And it is difficult, if not impossible, to segregate children from adults when it comes to distributing aid.

"It's a false dichotomy. Kids don't come without parents," said Lois Salisbury, executive director of Children Now, a California-based advocacy group.

For California, where welfare benefits have been cut significantly in recent years, Ms. Salisbury and other advocates have little good news to report.

She argues that the children's "movement" is hampered not only by pressing local problems, like California's ailing state economy, but the tendency of politicians to focus on short-term results, when the payoff for investing in children is many years down the road.

"Children take a long time to grow but our politics are driven by the Dow Jones, Neilsen ratings, quarterly profit and loss statements and, at best, a two-year election cycle," she said.

She also points to the fragmentation among children's advocacy groups, most of which are organized around specific issues such as unpaid child support, abuse, immunization or early education.

That weakness was underscored in a 1995 study commissioned by the State Legislative Leaders Foundation, which concluded that many legislators get a mixed message from a plethora of children's groups, each with its own agenda.

The report also found children's advocates frequently to be poorly trained and viewed as liberal, while the leadership in state legislatures is increasingly conservative.

Children's advocates, said John Deardourff, an author of the study and a Republican political consultant, "don't have the resources or the skills to compete with the paid lobbyists for other major interest groups," including the National Rifle Association, business organizations, teachers union and the elderly.

POLITICAL NOTES

Fred Prouser/Reuters

NEW LEASE — Hillary Rodham Clinton, right, and Cindy Williams after Ms. Williams spoke in Hollywood about how she broke a drug habit and found a new life through a shelter for the homeless.

Black Hole for News

WASHINGTON — Got some sanctions on China to lift or waive? Need to throw a controversial appointee overboard? How about a sensitive announcement to make on gay rights? Have to push a new Whitewater document out the door? Or maybe a foreign policy reversal or two?

Then Friday's THE day.

Friday, as the public affairs specialists at the White House, the State Department and other federal agencies all know, is the very best day of the week to deliver the worst news.

The simple reason: Saturday is a day when many newspaper readers and television viewers pay less attention to the news. More pressing matters — weekend chores, youth soccer games, travel or sleep — will distract a sizable chunk of the voting public and keep them blissfully ignorant of any federal follies announced on a Friday. *(WP)*

A Clash of Beliefs

WASHINGTON — After an often-impassioned debate, a House subcommittee has voted to authorize states to refuse to accept same-sex marriages from other states and to bar federal recognition of such marriages regarding taxes, pensions and welfare benefits.

Subcommittee approval, 8 to 4 along party lines, was a foregone conclusion for a bill that seems likely to pass both Houses without vast opposition, and President Bill Clinton has said he would sign it.

Henry J. Hyde, Republican of Illinois, chairman of the full committee, said that he wished he had never heard of the issue, but that he thought it was important because same-sex union "trivializes marriage and demeans it." Such marriages, Mr. Hyde said, "condone public immorality."

Barney Frank of Massachusetts, the senior Democrat on the panel and a homosexual, asked Mr. Hyde to explain: "How does anything I do in which I express my feelings toward another demean the powerful bond of love and emotion and respect of two other people?" *(NYT)*

Quote/Unquote

Vice President Al Gore announcing that the administration intends to raze 100,000 public housing units by the end of 2000, redoubling its efforts to get rid of derelict federal projects: "These crime-infested monuments to a failed policy are killing the neighborhoods around them. By tearing them down and replacing them with apartments and town homes, we lay the foundations for vibrant neighborhoods that will bring our inner cities back to life." *(WP)*

Lifting a Lid on Troops in Caucasus

Despite Stiff Opposition, U.S. and Russia Agree to Ease Limits

Compiled by Our Staff From Dispatches

VIENNA — Washington and Moscow agreed Friday to allow Russian military deployments in the Caucasus that exceed limits imposed by the 1990 Conventional Forces in Europe treaty, a step seen as help from President Bill Clinton to Boris N. Yeltsin two weeks ahead of Russian presidential elections.

But some European nations, especially Norway and Turkey, had yet to back a package of proposals to resolve key problems with the pact.

Delegates from 30 nations, including most of Europe, the United States and Canada, prolonged negotiations at a review conference in Vienna to consider the U.S.-Russia deal.

Russia's deputy foreign minister, Georgi Mamedov, announced that Moscow and Washington had agreed to allow Russian deployments that exceed limits imposed by the treaty. Russia has gone over the limit mainly because of the war it has been waging against separatists in its southern republic of Chechnya in the northern Caucasus military district.

"Russia and the United States have made an agreement," Mr. Mamedov said. "We hope to persuade our friends and partners to follow suit. It is a new reality. There is no more confrontation between East and West but a period of cooperation."

Vienna sources said that the United States was helping Mr. Yeltsin's campaign by approving the treaty violation.

A U.S. spokesman said: "We've made clear that a solution must be a cooperative one, be acceptable to all signatories, be built upon the flexibility of the treaty and preserve the treaty objective not to diminish the security of any partner."

But neighbors of Russia that were part of the Soviet empire until it collapsed in 1991 were reported to have bridled at the deal. Intense negotiations have been in progress to convince former Soviet constituent republics such as Ukraine, which reject the compromise agreement, or those reluctant to accept it, such as Azerbaijan, Moldova, and Georgia, which are also affected by Russian deployments. *(AFP, Reuters)*

'Brief Sound' Preceded ValuJet Blaze

By Don Phillips
Washington Post Service

WASHINGTON — The crew of ValuJet Flight 592 reacted quickly to return to Miami after the first sign of trouble, but fire spread into the passenger cabin within 22 seconds of a "brief, unidentified sound" that signaled something was amiss, according to the National Transportation Safety Board.

The aircraft and its systems "appear normal prior to the unidentified sound," the board said. The board did not characterize the nature of the sound. Minutes later on the afternoon of May 11, the twinjet DC-9 plunged into the Everglades, far short of the airport, killing all 110 people on board.

A brief statement issued Thursday by the board on the contents of the cockpit voice recorder raised the likelihood that the fire spread so rapidly that the crew could have done nothing to save the plane. The statement also reinforced indications that passengers were engulfed in smoke and possibly flames long before the plane's final 7,000-foot (2,150-meter) dive.

The statement was based on an initial reading of the plane's cockpit voice recorder, which contains the last 30 minutes of cockpit conversation and sounds. A special group of investigators has completed its initial review of the tape and will meet to agree on a final transcript, the statement said.

The final transcript will not be available for weeks or months, and the recording itself will never be released.

The board statement noted that the crew followed proper procedures in early phases of the flight and reacted quickly when trouble struck. Sources said that one purpose of the statement was to dispute speculation in some media that the crew waited as long as four minutes to react and head back toward Miami.

That speculation apparently was based on preliminary information from board investigators that the plane was in the air longer than more refined data showed to be the case. From takeoff to crash, the plane was in the air slightly more than 10 minutes, according to current data.

■ Flight Attendants Quit

About 50 ValuJet flight attendants have resigned since Flight 592 crashed in the Everglades, more than three times the average monthly turnover rate, the airline said in Atlanta, according to The Associated Press. ValuJet records indicate that 20 attendants left because of the crash, a typical number after such an accident, and others left for unspecified or more routine reasons.

Away From Politics

•A Texan convicted for the fourth time of threatening to kill a U.S. president has been sentenced in Dallas to three years and five months in prison for a threat to shoot Bill Clinton, made last October in a call to 911 emergency number. The U.S. District Court judge recommended that Horace Caraker, 54, who has a history of psychiatric hospitalizations, receive treatment in prison and then submit to three years' probation. He served prison terms on convictions in 1975, 1983 and 1986 of threatening to kill presidents. *(AP)*

•Television ratings should include a symbol to alert parents to children's programs with educational value, the head of the Public Broadcasting Service, Ervin Duggan, said in Los Angeles. *(AP)*

•Twin girls joined at birth were successfully separated in a three-hour operation in Loma Linda, California, and were expected to be home with their parents in Honduras in two weeks. The twins shared a liver, which surgeons were able to part. *(Reuters)*

•A man who killed a rookie police officer in a 1983 drive-by shooting was executed by injection in Columbia, South Carolina. Robert South, 51, shot Daniel Cogburn, 29, as he was sitting in his squad car writing a traffic ticket. *(AP)*

Brown Plane Ignored Rules on Dubrovnik

Washington Post Service

WASHINGTON — The general and two colonels relieved from command of the air wing responsible for the plane that crashed in Croatia killing Commerce Secretary Ronald H. Brown and 34 others were disciplined for allowing the plane to fly into an airport not certified by U.S. military authorities for bad-weather landings, according to air force officials.

Air force authorities in Europe had sought permission months before the flight to waive certification requirements for the airport in Dubrovnik, Croatia, and hundreds of other airports in the formerly Communist countries of Eastern Europe. Although air force flight safety officials in Washington say they denied the request, leaders of the 86th Airlift Wing in Germany permitted the flight into Dubrovnik, according to Pentagon sources.

Because senior government officials have yet to be briefed on findings of the crash investigation, air force spokesmen were reluctant Thursday to discuss in detail what prompted Major General Charles R. Heflebower, who oversees all U.S. air bases in Germany, to remove the three men.

The three are: Brigadier General William E. Stevens, who commanded the wing; Colonel Roger W. Hansen, who was deputy commander, and Colonel John E. Mazurowski, who had charge of the wing's flight operations.

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AMERICAN TOPICS

New Rules on Hot Tubs

Legislators in several states are planning to tighten rules governing hot tubs after a 16-year-old high school student was pinned to the bottom of one during a post-prom party and drowned.

Tanya Marie Nickens of Lakewood, New Jersey, merely meant to wet her hair when she slipped down beneath the surface of the water in a 10-person hot tub. But a drain grating was broken and she was sucked to the bottom.

Lifeguards, a uniformed police officer and classmates leapt in to try to pull her up. But 12 tons of water pressure kept her pinned in place, her head only inches below the surface. A shutoff switch was found too late, on another floor. Within minutes she had drowned.

Legislators in New Jersey and other states now plan to introduce laws requiring shutoff switches to be near hot tubs.

This was not the first such tragedy. The U.S. Consumer Product Safety Commission says that, since 1980, at least 18 similar incidents have been reported and that 5 led to fatalities.

Short Takes

Boston-area commuters are not happy. The 106 trolleys of the Green Line subway system are supposed to be, as the name indicates, an honest green topped by a conventional white, not the fancy combination of lime-sherbet "Atlanta Green" with a "platinum mist silver" in which they are being repainted. At least one commuter, reports the Boston Globe, thought the new look was merely a coat of primer paint. A transit authority spokesman says the intention was to "go with something European." In any case, he argued, "the painters in the yard say they like it." Many locals say the new colors are about as palatable as changing trains at rush hour. Someday they no doubt will speak of the old colors with the same nostalgia older Bostonians use in remembering the Boston Braves or burlesque in Scollay Square.

More than 40 people will be attacked by sharks along the East Coast this year, continuing an upward trend, a Florida shark expert has predicted. But few of the attacks are likely to be fatal, according to George Burgess of the Florida Museum of National History in Gainesville. Mr. Burgess, who oversees a worldwide registry of shark attacks, said that shark populations are actually plunging because of overfishing and that attacks were unlikely in waters north of the Carolinas. But with people spending more and more time on beaches, "The trend is up, up, up." Most attacks along the coast are by blacktipped or spinner sharks, no longer than 6 feet, which bite and then release "because the human is either too large or doesn't taste like a fish," Mr. Burgess says. Fatalities come when a larger species like a tiger shark strikes. All in all, man has gotten the better of this relationship. Sharks kill about 100 people a year worldwide; humans kill about 100 million sharks.

International Herald Tribune

Timothy Leary Is Dead at 75, 'Guru' of Psychedelic Drugs

By Laura Mansnerus
New York Times Service

Timothy Leary, 75, who introduced much of America to psychedelic drugs 30 years ago, died Friday at his Beverly Hills, California, home.

Mr. Leary, who had turned his battle with terminal cancer into a public event, died in his sleep, said Carol Rosin, a friend for 25 years.

Fans could follow his deteriorating health through his site on the World Wide Web. His home page announced the death with a simple "Timothy has passed."

In his long and extravagant public life, Mr. Leary was an accomplished clinical psychologist at Harvard University, a dabbler in Eastern mysticism, a fugitive and convict, a stand-up comedian and actor, a writer and a software designer and exponent of cybernetics.

Most of all, he was known as a kind of publicist for psychedelic experience, a career that blossomed in the heady days of the 1960s after he was dismissed from Harvard University for his drug experiments in 1963. He was the author of the phrase "tune in, turn on, drop out," which came to him in the shower after Marshall McLuhan advised him to come up with "something snappy" to advertise the wonders of LSD.

As the era of drugs, sex and rock 'n' roll unfolded, it seemed that Mr. Leary was at every scene. He took psilocybin trips with, among others, Arthur Koestler, Allen Ginsberg, Jack Kerouac, Robert Lowell, Maynard Ferguson, Abraham Maslow and William Burroughs.

He was arrested by G. Gordon Liddy. He sang "Give Peace a Chance" with John Lennon and Yoko Ono. As a fugitive on drug charges, he lived in Algeria with Eldridge Cleaver and dined in Gstaad with Roman Polanski; back at Folsom Prison in California, he was a prison mate of Charles Manson's.

Well into his 70s, though he had lost his reputation as a corrupter of youth, Mr. Leary was stepping up to microphones in his white sneakers, telling audiences that the liberation and exchange of knowledge by electronic communication would free their brains and souls from the oppressive orthodoxies of education, religion and politics. He often presented a multimedia show called "how to operate your brain."

Lash LaRue, a Star of 1940s Westerns

BURBANK, California (NYT) — Lash LaRue, 79, who expertly cracked a bullwhip in nearly two dozen low-budget Westerns of the 1940s, died May 21 at the Providence St. Joseph Medical Center here.

Albert LaRue adopted the nickname Lash after he picked up his whip. His big break came with the 1945 film "Song of Old Wyoming," in which he played the Cheyenne Kid. He made an instant impression by picking a flower for his paramour with a flick of his bullwhip.

The film spawned a series of low-budget, shoot-'em-up bullwhip Westerns. Connoisseurs of the genre hold "King of the Bullwhip" (1951) in particularly high regard.

Tamara Toumanova, Prodigy Ballerina

SANTA MONICA, California (NYT) — Tamara Toumanova, 77, a child-prodigy ballerina of the 1930s who became familiar to American audiences as one of the most glamorous stars of 20th-century dance, died here Wednesday after a brief illness.

Discovered by George Balanchine, she inspired two of this century's greatest choreographers, Mr. Balanchine and Leonid Massine.

Cause for Joy in an Israeli Settlement

Hard-Liners See Policy Reversal

By Daniel Williams
Washington Post Service

HEBRON, West Bank — In Jerusalem, pundits are debating how Benjamin Netanyahu, the victor in Israel's close-fought race for prime minister, will handle the peace process with the Palestinians.

But to Israelis in Kiryat Arba, a militant settlement near the volatile town of Hebron, the answer already seems clear: Good times for Israeli settlements. New construction, subsidies, attention to security. In short, a return to the days when Israeli governments regarded the settlements as a valuable obstacle to Palestinian independence.

And in a reversal of the policies followed by Prime Minister Shimon Peres, no more land to the Palestinians.

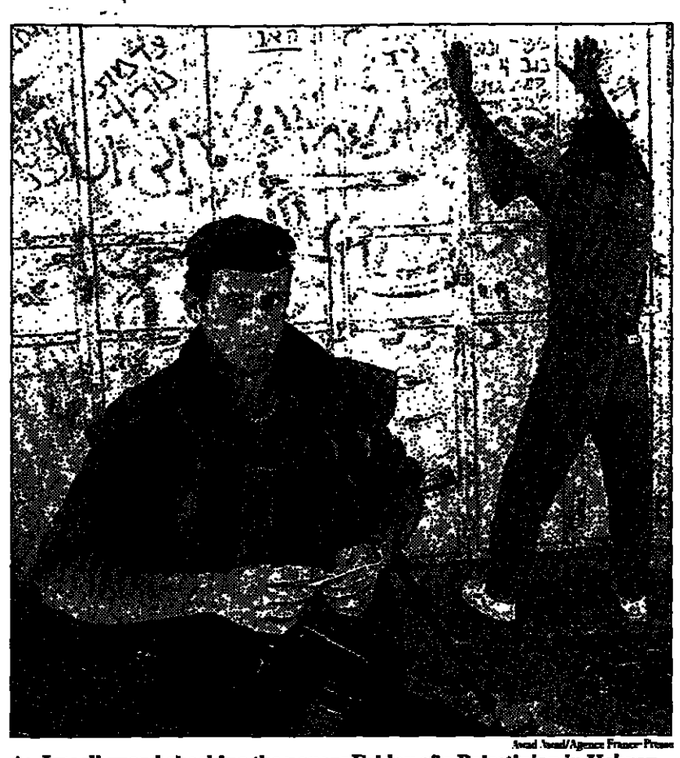
"This is what we believe Netanyahu promised, and we feel the dark days of Peres are over," said Moshe Ben-Aryeh.

It is a sentiment heard all over the enclave, one of more than 130 that are home to about 135,000 Israelis who live in the West Bank and Gaza Strip — and who voted overwhelmingly for Mr. Netanyahu. The settlers worry only that the prime minister-elect might fall prey to pressures from Washington to deal with the Palestinians, or that he might try to curry favor with foreign powers by moving slowly to undo Mr. Peres's work. Otherwise, they say, their hopes have been realized.

In many ways, Mr. Netanyahu has become a kind of cracked mirror in which many people seem to see the reflection of their own dreams. Some Israelis believe he will continue peace talks with Palestinians, that he is pragmatic and that he will not want to stall negotiations that brought Israel dividends in the form of outside investments and diplomatic acceptance.

Others — like the settlers in Kiryat Arba — see expressions of pragmatism as mere electoral frills. In this view, Mr. Netanyahu's heart is in the right place: the West Bank and Gaza.

"He is one of us," said Mr. Ben-Aryeh, a Bible student, noting that a Netanyahu cabinet would include pro-settlement stalwarts such as the former generals Ariel Sharon and Rafael Eitan.



Awad Awad/Agence France-Presse
An Israeli guard checking the papers Friday of a Palestinian in Hebron.

The local address of Mr. Netanyahu's heart may soon be tested: Kiryat Arba abuts Hebron, the only large Palestinian city still occupied by Israeli soldiers. Mr. Peres and the Palestinian leader, Yasser Arafat, have reached an agreement in which the Israelis have pledged to withdraw from most of Hebron, except for a few settler neighborhoods and areas adjacent to Kiryat Arba.

A date of March 28 had been set for the withdrawal, but a series of terrorist bombings in Tel Aviv and Jerusalem prompted Mr. Peres to demand a delay until after the elections.

Mr. Netanyahu has said the accord must be canceled on the grounds that Palestinian hostility to settlers will lead to violence. Nor, he has argued, can Israel abandon a city that Jews believe was the burial site of Abraham, patriarch of the Jews. Muslims also consider Abraham their patriarch, and both religions revere his tomb in Hebron.

To renege on withdrawal would be a clear violation of peace accords signed by Israel and the Palestine Liberation Organization and could throw the peace process into disarray.

"I pray every day that Bibi has the strength to keep his words," said Aryeh Levine, referring to Mr. Netanyahu by his nickname.

Palestinians in Hebron put on a brave face in the wake of the election results. Some, especially among the young Islamic militants who have gained strength in Hebron, said Mr. Netanyahu's election made no difference.

"Israelis are all dogs, and they all bite," said one.

TULSA: *Marking a Race Riot*

Continued from Page 1

"The response has been so overwhelming that I now fear we'll end up with more whites than blacks," said state Representative Don Ross, who represents Greenwood. "And that's not a bad fear to have."

At a time when acts of hate and racial divisiveness are cropping up across America, from the burning of black churches to housing discrimination, this event is a small but crucial step toward healing taken by a city that is still largely segregated. Strangely enough, the very existence of this blot on Tulsa's history is thought to have fostered a spirit of tolerance today. Many people believe that because of it, city officials have felt pressured to resolve other potential racial crises expeditiously.

"One of the remarkable aftermaths of the riot was that the tension was considerably diminished," says John Hope Franklin, 81, a black historian whose father was a practicing lawyer in Tulsa at the time. "The whites were much more amenable to accommodating blacks in many ways. I grew up with no fear."

"Tulsa never again wanted to be exposed as a racist community because that would be bad for business, and so many of these milestones became easy," said B.S. Bishop, a leading black minister here who was involved in the early fight for integration. "All you'd have to do is mention the riot and everyone would cringe. It just wasn't done."

Tulsa's mayor, Susan Savage, who is white, addressed a national NAACP conference here last fall, and took the unusual step of pointing to the riot as a reminder of past intolerance. To her astonishment, Mr. Ross jumped up and embraced her, saying that it was the first time he had ever heard a white politician raise the issue at a public event.

In 1921 in Tulsa, Greenwood was the place to be. By then, Tulsa's black population was estimated at 11,000, and this 34-square-block area housed two newspapers, 12 grocery stores, two schools, 23 churches, two theaters, a pharmacy, a library, restaurants, four hotels, doctors, lawyers and dentists. Tulsa became, in effect, two cities — one black and one white.

There are some blacks today who believe it was the white man's jealousy over Greenwood's economic success that lay behind the riot.

An Heir Not Yet Apparent

Japanese Ask: When Are Crown Prince And Princess Going to Produce a Son?

By Mary Jordan
Washington Post Service

TOKYO — As the crown prince and princess approach their third wedding anniversary, Japan is whispering:

"I bet it's her problem; she was a working woman for a long time," says one middle-aged woman. "The stress did it."

"Are you kidding?" another asks. "The emperor's brother had no kids either. That side of the family has had baby problems before. It's the prince."

And so on. Since June 9, 1993 — the day Masako Owada, a Harvard-educated former diplomat, ended her career and accepted life inside the cloistered walls of the Imperial Palace — the princess has had one crucial job: produce an heir. A male one. On her wedding day, Princess Masako donned a 12-layer, 30-pound silk kimono, consistent with the style worn by the imperial family for 1,200 years, and, with her husband, prayed at a palace shrine for a son.

Now, though Princess Masako is only 32, people are abuzz because there is still no sign of an answer to that prayer. At risk is the longest continuous family dynasty on Earth. The current emperor is said to be the 125th direct descendant of a monarchy that stretches back 2,600 years to Amaterasu, the Sun Goddess.

Pressure? What pressure?

Women's magazines beg the princess to relax. "Don't be beaten by the pressure of pregnancy!" advises a Ladies' Own cover.

"Infertility treatment! The moment of truth after three years!" screams Weekly Woman. Television variety shows speculate on the hold-up.

What was once unthinkable in this male-dominated country is now voiced publicly: Will Japan be forced to allow a woman to ascend to the throne? In the last two and a half millennia, there have been eight female emperors here (many women have been empress, a title that refers strictly to the emperor's wife). The last female emperor's reign ended in 1770, and the law now forbids a woman to be the symbolic head of Japan.

Attention has begun to focus on 4-year-old Mako, the crown prince's niece, as a possible future emperor, requiring a change in the law.

Time, of course, has not run out. An emperor reigns for life, and the hoped-for heir would be third in line. Emperor Akihito is 62. His son — Masako's husband — is Crown Prince Naruhito, 36.

Queen Cancels Visit in Wales

Four Students Arrested After They Rush Her Car

Reuters

ABERYSTWYTH, Wales — Queen Elizabeth canceled a visit to the University of Wales on Friday after the police arrested four students who leaped barriers and rushed toward her car.

Buckingham Palace said the decision had been made on the advice of the police, who said it was not safe for the queen to proceed. "The queen would certainly have made this decision with great regret," a spokeswoman said.

Derec Llwyd Morgan, principal of the University of Wales, in Aberystwyth, said: "We obviously feel disappointed but the decision was taken by the queen's personal security adviser." The queen was to have opened a Center for Glaciology, but the ceremony was performed instead by the university president, Sir Melvyn Rosser.

ISRAEL: *Netanyahu Assures Arab Chiefs*

Continued from Page 1

There was no immediate public reaction from Mr. Arafat, who made no attempt to hide his strong preference for Mr. Peres during the campaign.

Already under fire from many Palestinians for making too many concessions to Israel, Mr. Arafat's position could be seriously compromised if the new Israeli government puts the brakes on the negotiating process.

The next bellwether of Mr. Netanyahu's intentions was his choice of cabinet ministers, which he intended to announce within two weeks.

The Foreign Ministry was expected to go to David Levy, who held the same post in a previous Likud government. Mr. Levy split with Mr. Netanyahu and Likud last year to form his own party of Sephardic Jews, but he dropped out of the race for prime minister and returned to the fold during the campaign, presumably with the promise that the Foreign Ministry would be his if Likud returned to power.

For the Defense Ministry, initial indications were that Mr. Netanyahu intended to offer it to Yitzhak Mordechai, a recently retired general who was popular as northern commander.

ARABS: *Search for Solidarity Breaks Out Among the Leaders*

Continued from Page 1

office, is intended in part to forge a common stand behind the Palestinians as they begin what even before the election had promised to be a difficult new round of peace talks with the Israelis.

The gathering had also been envisioned as a way to prod Israel toward resuming peace talks with Syria, a goal that Arab officials see as having become even more important with Mr. Netanyahu at the helm. The incoming Israeli prime minister has said he would be unwilling to return the Golan Heights to Syria as part of any peace agreement, and Arab officials said Friday that Mr. Mubarak would like to use next week's meeting to send a strong signal that such a stand is unacceptable.

Syria and Lebanon stayed away from a similar meeting in Cairo last month, and it remains unlikely that their leaders will agree to share a table with the Arab leaders whom they have criticized for hastiness in making peace with Israel.

But the discussions between Egypt's leaders and their Syrian and Lebanese counterparts produced at least a consensus. Arab diplomats said, that the states should consult more closely as they face an Israeli leader who has made clear that he will be far more rigid in any peace negotiations than his predecessor, Shimon Peres.

If Mr. Assad and Mr. Hrawi cannot be persuaded to join in next week's talks, the diplomats said, Mr. Mubarak made clear that he hopes that both will visit Cairo later for further consultations.

At least one Islamic country has hinted that it welcomed the result of the Israeli election. In Iran, the state-run radio station said in a broadcast Thursday night that Mr. Netanyahu's victory "will cause new problems for the process on which America and the compromisers had set their hopes."

CROAT: *Guilty of Massacre*

Continued from Page 1

defiance of the United Nations, which had declared it a safe haven for Muslims.

The indictment, charging Mr. Erdemovic with crimes against humanity, says Muslim men were taken in buses to a farm near the town of Zvornik where they were shot by Mr. Erdemovic's unit.

The tribunal registrar, reading from the indictment, said the prisoners were taken in groups of 10 to a field near the farm, lined up in rows and shot.

Mr. Erdemovic frowned and struggled to contain his emotion as he listened to the charges and confirmed that the indictment gave an accurate account of the killings.

"Your honor, I had to do this. If I had refused I would have been killed together with the victims," he said. "When I refused they told me, 'If you're sorry for them, line up with them and we will kill you too.'"

"I'm not sorry for myself," Mr. Erdemovic continued, "but for my family, my wife and son, who was nine months old then."

As he mentioned his wife and child, Mr. Erdemovic broke down and wept. Judge Claude Jorda of France briefly halted the hearing to allow him to compose himself.

His demeanor contrasted with that of others before the tribunal, who have generally appeared tense but defiant.

One of just a handful of non-Serbs who took part in the attack on Srebrenica, Mr. Erdemovic was arrested in Serbia in March and extradited to The Hague after confessing to his role in the massacre during interviews with the media.

Judge Jorda said that, because Mr. Erdemovic was not contesting the charges, the case would proceed directly to sentencing, provisionally scheduled for July 8.

He said the tribunal could impose a maximum sentence of life imprisonment but would bear in mind any mitigating circumstances, including cooperation with the prosecution. *(Reuters, AFP)*

■ Progress on Karadzic Issue

A senior U.S. envoy said Friday that he had won assurances from the Serbian president, Slobodan Milosevic, that Radovan Karadzic, the Bosnian Serb leader, would no longer wield power in Bosnian Serb territory, Reuters reported from Belgrade.

The envoy, John Kornblum, while giving no details, said he expected Mr. Milosevic to discuss Mr. Karadzic's political fate at a meeting of Balkan leaders in Geneva on Sunday.

BOOKS

THE SYSTEM: The American Way of Politics at the Breaking Point

By Haynes Johnson and David S. Broder. 668 pages. $25.95. Little, Brown.

Reviewed by
Richard Bernstein

THIS voluminous and detailed study of the health-care debate of 1993 and 1994, by two of Washington's most experienced and influential political journalists, embodies some of the characteristics of the very "System" that the authors describe.

Johnson and Broder, who have both won Pulitzer Prizes during distinguished careers at The Washington Post, are insiders in the business of covering Washington. They are well informed, smart, even-handed in their reporting and analysis.

The story they tell is clear, often absorbing, filled with anecdotes, with pungent quotations and with as smart and ambitious a cast of characters as are likely to disport themselves on any political stage.

But like so much that happens in the theater of national politics, the authors' focus, except for a few pages of mostly anecdotal material gleaned from visits to two hospitals in Los Angeles, is on the process of the legislative fight, not the meaning of it for ordinary Americans.

Like the Clinton administration's advocates, Johnson and Broder are convinced that the failure to enact a visionary piece of legislation represented a tragic loss for the American people. In that sense, they are clear about the meaning of the fight. But only in very cursory fashion do the authors strive to come to terms with what the Clinton plan would actually have done, what problems it would have solved, how much it would have cost and whether it would have been effective.

And so the authors tell us what kind of food was ordered for the administration's "War Room" aides as they watched the president's televised speech of Sept. 22, 1993; who ordered the food, and how much the bill came to. But in the absence of any clear case for the Clinton plan, their conclusion that "in this great test, the System failed the people it was designed to serve" seems based more on their own political preference than any demonstration of fact.

Still, the pageant of Washington as it was played out during the health-care war is a remarkable one, well captured in this book.

Throughout, Johnson and Broder provide a knowing and intimate look at the intricacies of the political game. They do not write with an abundance of grace or style, and sometimes the very length of their narrative is wearying to one not utterly absorbed by every feint that took place on the Congressional battlefield. Nonetheless, the authors never allow the plethora of detail to get in the way of the narrative thread. Real drama takes place within these pages, as when the authors take the reader into the rooms where the battle was fought, sometimes interviewing the actors minutes after some event has taken place.

If the Clinton plan was a bad one, if it was a new entitlement that would quickly spiral out of financial control (and some important Democrats joined opponents of the plan, like Newt Gingrich and the insurance industry, in believing that to be the case), then in defeating it, the system did not fail at all.

It worked.

Johnson and Broder believe that the reverse is true, and there is certainly reason to believe that they are right. It is just that in the 600 and more pages of "The System," they fall short of making that case.

Richard Bernstein is on the staff of The New York Times.

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YELTSIN: *A Setback Over Chechnya*

Continued from Page 1

Penn. "Now we must fill pocketbooks."

"I feel your pain, the pain of the country," he said in the manifesto. "But this is the pain of a recovering organism. I made mistakes but I know better than others how to correct them."

Earlier in the week, Mr. Zyuganov unveiled an economic program that called for an enlarged role of the state, and massive new subsidies into industry and social needs.

Mr. Yeltsin's program is, in principle, tied to reducing the deficit and inflation, which Russia has pledged to do as a condition for a three-year $10 billion loan from the International Monetary Fund. But the tone of his program was to promise a soft cushion under all the social groups who have bumped along the bottom of the economy during the last four years. For example, without saying where the money would come from, he proposed setting new minimum standards of living, and then meeting them by paying out subsidies for pensions, wages and services such as health care and education.

His program could also be read as an indirect admission of the failures of the last four years. He acknowledged lapses in tax collection, and issued yet another demand for army reform — something he has talked about for five years, but which his critics say has yet to be started.

He called for continued cooperation with the United States and urged the Parliament to ratify the strategic arms agreement, but he also insisted that Russia could not permit the United States to go beyond the 1972 Anti-Ballistic Missile Treaty.

Mr. Yeltsin tried to borrow other themes of his opponents, suggesting that Russia had become a "Great Power" and would not be pushed around. While not able to veto the entry of East European states into the Atlantic alliance, he said, Russia had "the full right" to defend its interests. Like the Communists, he said he would make it a priority to bring Russia closer to the neighboring republics of the former Soviet Union.

Highlights of Yeltsin's Platform

Following are some of the main points of President Boris N. Yeltsin's election-program promises announced Friday:

ECONOMY: Noninflationary growth by reviving investment.

By 2000, annual growth of more than 4 percent, annual inflation rate down to 5 percent, ruble fully convertible. Budget deficit cut in 1997 and eliminated in 2000.

New tax code by 1997, with big cut in levels of taxes and exemptions.

Control of prices of electricity, gas, telecommunications, railroads.

FOREIGN POLICY: Maximum integration of the Commonwealth of Independent States members, with active defense of Russians in the former Soviet republics and abroad.

SECURITY: On Chechnya, prepared to negotiate but not to allow full independence. Fully professional army by 2000. Strengthening of civilian control over armed forces.

SOCIAL: Wage and pension increases and indexing. Introduction of private pension plans. Compensation for effect of inflation on savings. Obligatory medical insurance and affordable private health care to supplement state system. *(Reuters)*

CUP: *Japan and South Korea to Co-Host Championship in 2002*

Continued from Page 1

country has for the other, and a sense that national pride was at stake. The reaction to the announcement was generally agreeable from politicians and officials in both countries, but mixed among ordinary citizens.

"You expect our president to sit with the emperor at the opening ceremonies?" a dismayed Korean man said in an interview broadcast Friday night on Japanese television.

"We are so different, I think there will be many problems," a Japanese man said.

President Kim Young Sam of South Korea, in a telegram to South Korean soccer officials in Zurich, said, "I believe that the co-hosting of the 2002 World Cup will serve as an occasion to further solidify the friendly relations of Korea and Japan."

A Japanese man interviewed on television also sounded an optimistic note: "This is a wonderful opportunity for Japan and Korea to open their hearts and become friends. This could be a big step toward putting all our problems behind us."

Many said that the decision to co-host merely made the issue more complicated because the two countries and FIFA will have to work out the myriad details. Probable areas of contention are which nation will be host of the opening ceremonies and the final game, which is one of the most watched sporting events in the world. Television rights to the games are worth more than $1 billion, and it is unclear how those will be divided.

Both co-hosting nations will probably automatically qualify for the tournament, and it would be Japan's first appearance. But since two slots in the tournament are reserved for Asian teams, it is unclear whether other Asian nations would lose their opportunity to compete if both Japan and South Korea were already in. Even the name of the tournament was being debated: The Korean-Japan World Cup? The Japan-Korea World Cup?

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Burma Frees 81 Opposition Activists

The Associated Press

RANGOON — Burma's military regime released at least 81 of 262 detained opposition activists Friday, a week after rounding them up to block their attendance at an opposition meeting.

The government radio announced that the junta was freeing its "guests."

Opposition leaders confirmed that at least 81 persons were released, but it was not known when the other jailed dissidents would be freed, or even if they would be.

The releases of the opposition activists may reflect an easing of tensions following the biggest confrontation between Daw Aung San Suu Kyi, the opposition leader, and the ruling military since her release from six years of house arrest last July.

The activists were freed hours after the United States announced plans to send an envoy to Burma and to nearby countries to coordinate a response.

The Burmese authorities "should not be let off scot-free," the U.S. State Department spokesman, Nicholas Burns, said in Washington.

Scores of those arrested last week are still in custody, and the opposition predicted that those the regime considers a particular threat will not be freed.

Some have already been sent to Insein Prison near Rangoon, notorious for torture, and face national security charges that allow indefinite detention.

Those freed reported no ill treatment, the opposition said. They had been held at military mess halls and clubs and at houses kept by the feared military intelligence.

The three-day opposition meeting that started Sunday was intended to bring together opposition candidates who won 392 of 485 seats in 1990 parliamentary elections. The junta never allowed that Parliament to convene.

Many of the opposition candidates have since been killed, jailed or exiled.

Daw Aung San Suu Kyi, winner of the 1991 Nobel Peace Prize for her nonviolent promotion of democracy, held the conference anyway and pledged to hold more in the future.

India to Stay on Reform Track

Despite That Assurance, Alliance Is Facing Problems

Reuters

NEW DELHI — India's center-left United Front alliance said Friday that the country's economic reforms would not be affected under its government.

Despite the apparently clear signals on the economy, the 13-party alliance was struggling to stay together Friday as powerful regional groups at the core of the coalition were divided on whether to join the government, politicians said.

"There are some problems," a senior regional party leader said.

The coalition government was to assume power on Saturday.

Prime minister-designate H. D. Deve Gowda, asked as he was entering a meeting of alliance leaders being held to discuss differences, said: "Everything is under control. We will sort out everything."

A United Front spokesman, Jaipal Reddy, said Mr. Gowda was likely to continue much of the economic reform program launched by former Prime Minister P.V. Narasimha Rao, who nudged India's socialist regime toward a free-market system during his tenure from 1991 until his Congress (I) Party's defeat in elections in early May.

There was a possibility that Mr. Gowda would retain Montek Singh Ahluwalia as finance secretary. He is closely linked with Mr. Rao's economic reforms.

"There is little advantage in breaking the continuity," a senior United Front leader said.

"Technocrats are flexible people," he added. "They are like horses. Their policies depend on the person who rides them."

Assad Nephew Held In Paris Hit-and-Run

The Associated Press

PARIS — A nephew of President Hafez Assad of Syria is being held in Paris as the driver of a car that struck and gravely injured two motorcyclists and for fleeing the scene, the police said Friday. His brother is also being held for obstruction of justice. The two are the sons of Rifat Assad, Syria's vice president.

The younger nephew, 17, was driving his father's car, a bulletproof Cadillac with Texas license plates, when it struck two motorcyclists Saturday night. One was paralyzed as a result and the other suffered multiple fractures.

The boy, who had no driver's license, left the car and fled the scene, the police said. The car was traced to the father's Paris apartment. The police said the boy's older brother, Siwad Assad, said a Syrian Embassy employee was the driver, but the younger boy admitted that he was.

BRIEFLY ASIA

No U.S. Plans to Aid Hungry North Korea

TOKYO — As the clamor grows for more food aid for North Korea, pressure is building on U.S. officials to avert starvation there. But the U.S. ambassador to Japan, Walter F. Mondale, said that while the problem is under constant discussion, Washington has no plans for new aid.

"I don't think anybody wants to be cruel about it," Mr. Mondale said, telling a group of Japanese and foreign reporters that it is "well known that malnutrition, maybe hunger, is widespread in North Korea."

Lee Young Hwa, a top North Korean expert in Japan, said that he is hearing from acquaintances who have recently visited the northern towns of North Korea that farmers are so hungry that they are leaving home and heading for the Chinese border.

"The famine is really serious. We are starting to hear that they are starving," Mr. Lee said. One northern village of about 250 people is all but deserted now, except for a few privileged people who had enough to eat, he said. *(WP)*

Tibetans Sentenced For Separatist Call

BEIJING — A Chinese court has sentenced six Tibetans to up to five years in prison for demanding independence for the region, state media said.

A court in Tibet's second largest city, Xigaze, announced the sentences against the six at a recent rally, Tibet television said in a report monitored by the British Broadcasting Corp. and seen in Beijing on Friday.

All six had "called for and incited for Tibetan independence," it said, but gave no details of the activities for which they were jailed.

The Tibet Information Network, a London-based group with close links to activists in the region, said the jailings were China's first admission of a political trial in Tibet for nearly two years. *(Reuters)*

Homeless Children Protest in Cambodia

PHNOM PENH — More than 300 homeless children marched through the streets of the capital Friday, carrying banners and chanting slogans calling on the government to help them.

The marchers, representing the country's 30,000 homeless children, were told at a ceremony by First Prime Minister Norodom Ranariddh that the government and the National Assembly would take "urgent measures" to assist them.

The gathering was held a day in advance of International Children's Day, which is to be celebrated Saturday.

"It was a shame for the Cambodian government to allow the Cambodian children to lead such lives," said Prince Ranariddh. "We will tackle the problem very urgently."

A 13-year-old girl, Cheng Chana, cried as she told Prince Ranariddh how her father had been killed in war and her mother shot and killed in Phnom Penh, the victim of a random violent act.

"I want the world and the Cambodian government to take care homeless children," she said. *(Reuters)*

Saudis Behead 4 In Car-Bombing Of U.S. Facility

The Associated Press

RIYADH — Four Muslim militants who were convicted in the car-bombing of a U.S.-run military installation in Riyadh last year were beheaded Friday, the Interior Ministry said.

The prisoners, all Saudis, were executed despite a reported threat by extremists that they would attack U.S. interests in the kingdom if the four were punished.

Seven persons, including five Americans, were killed in the explosion last Nov. 13.

The official Saudi Press Agency quoted an Interior Ministry statement as saying that the four had been publicly executed at a square in Riyadh in accordance with Islamic law.

The agency identified the men as Abdulaziz Fahd Nasser, Riyadh Hajir, Muslih Shmrani and Khaled Ahmed Said.

In confessions shown on state-run Saudi television April 22, the men said they were not linked to any particular group, but had been inspired by the ideologies of militant Muslim groups seeking to establish purist Islamic states in the Arab world.

They also said they had been trained to use weapons and explosives in Afghanistan and had taken part in fighting there.

Saudi authorities said the explosives that were used to blow up the installation came from neighboring Yemen.

The U.S. State Department said this month that its embassy in Riyadh had received a telephoned threat of attacks on U.S. interests if the Saudis were punished for the bombing, which shattered the kingdom's reputation as a haven in the Middle East's violence.

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ART

A Homemade Arts Magazine

By Roderick Conway Morris
International Herald Tribune

VERONA, Italy — An out-of-the-blue gift to this city's Literary Society has led to the rediscovery of a remarkable monthly periodical, *Lucciola* (*Firefly*), which was produced between 1908 and 1926. The work of a group of young Italian women, Lucciola was entirely handwritten and illustrated with drawings, paintings and photographs, and existed as a single copy that was posted from subscriber to subscriber, taking many months to make its way around the peninsula before ending up in the editor's office once again.

"*Lucciola was launched by Lina* Caico, whose father was a Sicilian landowner but whose mother was English," said Paola Azzolini, a writer and member of Verona's nearly 200-year-old Literary Society, who has been reconstructing the story of the magazine. "There was an English community in Sicily during the 19th century, many of whom were involved in growing vines and exporting Marsala wines, and marriages between English residents and Sicilians were quite common.

"Lina was sent to England to be educated and was very likely inspired by school magazines there to try to start her own when she came back to the island. Life on her father's estate at Montedoro was certainly very isolated, and so this project must have seemed a good way of making contact with other bright, educated and artistic women of her kind, if only at a distance."

"It was a rule that the subscribers, who were scattered all over Italy, should also be contributors, and putting together the dozens of handwritten articles and illustrations and binding them into each monthly edition must have been quite a task," said Azzolini, as we looked through more than 100 copies that have survived, at the society's library in a 16th-century palazzo beside Verona's Roman Arena.

MANY of these often substantial tomes have embroidered or hand-painted covers and contain some accomplished artwork, much of it strongly influenced by trends in Art Nouveau. The contributors also followed the fashion of the times in adopting pseudonyms, some cute like "Bimba" (Baby), or self-consciously poetic, "Oneira" (Dream), or mysterious, "Qualcuno" (Somebody), or somewhat lofty, such as "Soul" and "v.f.s.," which turns out to stand for "*veritate, fortiter, suaviter*" (*truthfully*, bravely, sweetly). The last, whose descendants made the donation to the society, emerges as a character of considerable forcefulness, who successfully took over the running of her husband's factory when he was called away to serve in World War I and in 1919 became the editor of Lucciola when "Lina" (as Caico called herself) stepped down.

Cover illustration by "Dandy."

At the back of each volume is the list of names and addresses of the subscribers, and a note on the date when each volume arrived and was sent on to the next reader — usually within 48 hours (there being fines and even threats of expulsion for overrunning the allowed period). Through these registers can be traced the progress of each edition as it zigzagged its way from the north to south of Italy, or vice versa. Among the missing volumes are ones that, during World War I, were seized by the military censors on their way to Pia, a dedicated Italian patriot living in Trieste (then still part of the Austro-Hungarian empire).

The staples of the contents were short stories, poems, personal experiences and translations of articles and fiction from more conventional English and French periodicals. But there was also a section, "Observations," where ideas and opinions were exchanged and current events, often vigorously, debated. Italy's invasion of Libya in 1911, divided the Lucciole, or Fireflies, as the women dubbed themselves, into doves and hawks, as did World War I, and they were again split by the rise of Fascism.

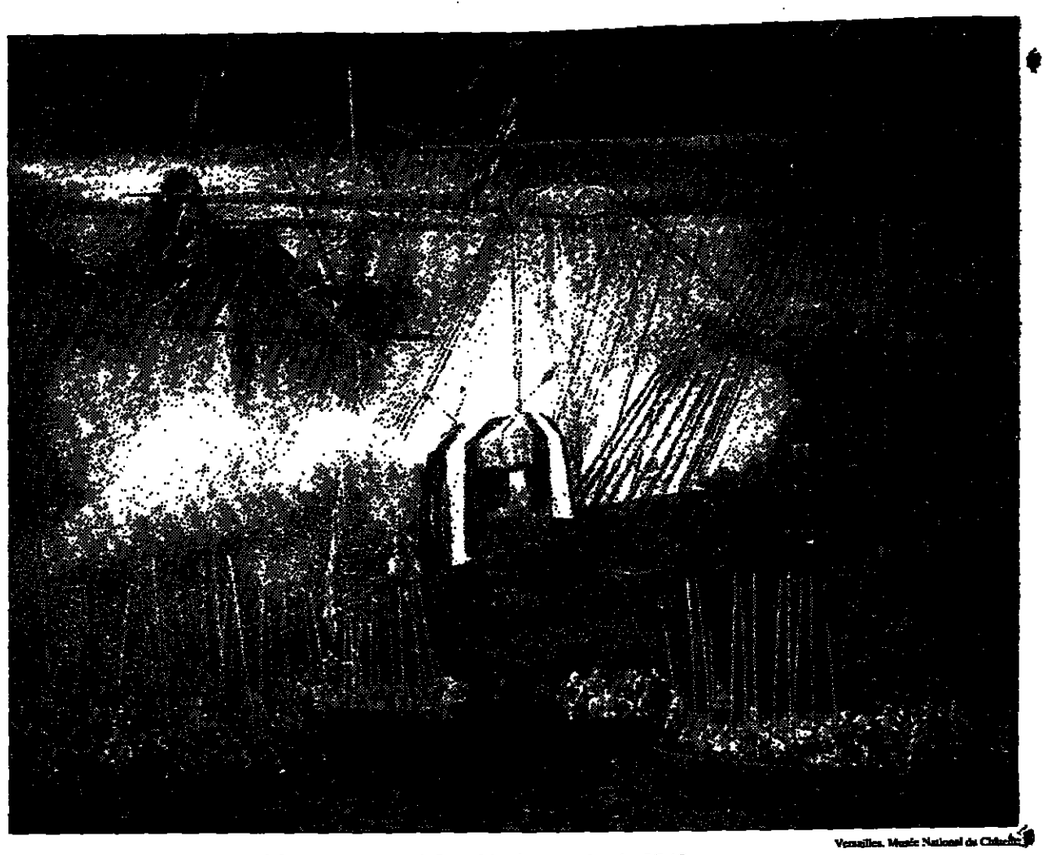
Caico provided an account of the symbolic burial of the remains of the Unknown Soldier in Rome in 1921. While agreeing that the war dead should be properly honored, she deplored the way the Fascists had hijacked the event and condemned their language as being filled with aggression and a distortion of reality. And while, like many Italians, several Fireflies became supporters of Mussolini, Caico remained an anti-Fascist to the last. Interestingly enough, however, women of diametrically opposed political persuasions remained friends and corresponded long after the last issue of Lucciola in 1926.

It was agreed by the Fireflies that the editor "cannot be other than a woman," but more than a dozen male friends and relatives (four of whom lost their lives in World War I) contributed to the magazine, sometimes providing commentaries on the more risqué contemporary writers, such as Gabriele d'Annunzio, whose works were regarded as unsuitable for respectable female readers. One of the male Fireflies, "Dandy," produced some of the most entertaining artwork.

WITH tens of thousands of hand-written pages still to be studied in detail, a full picture of the Fireflies has yet to drawn. The women seem to have have had no direct contacts with explicitly feminist thinkers and campaigners of their times, but they evidently did not regard the position of women as equitable. In an essay in 1912, "Lakmy" compared the lot of Turkish and Italian women — concluding that much of the latter's apparently greater freedom was an illusion; while even one of the most conservative Fireflies declared: "I have never felt inferior to men, but always their equal." Ever lively, Caico wondered at one point, given the shockingly low caliber of electoral candidates, quite how useful the franchise would be to her, but added: "But frankly, I can't see why my illiterate, drunken doorman should have the vote and not me."

Azzolini and her helpers have already produced a short, but informative résumé of their initial researches, "Leggere le voci: Storia di Lucciola" (Reading the Voices: The Story of Firefly'), and hope to edit a selection, illustrated in color, of some of the most interesting material. Meanwhile, there are plans to organize a traveling exhibition.

Also, said Azzolini, it appears from intriguing references in Lucciola that some of the women contributed to a similar German periodical, Parva Favilla, and one in France, Mouche Volante — but how long these lasted, whether they were printed or handwritten and if any copies have survived, has yet to be investigated.



Versailles, Musée National du Château

Eugène Isabey's painting of the unloading of Napoléon's remains in 1840.

When a Little Goes a Long Way

By Michael Gibson
International Herald Tribune

PARIS — The Romantic movement is usually assumed to represent the triumph of emotion over reason, of northern shade over southern light. The French who may not always be aware that figures such as Byron, Shelley and Keats in England, Novalis, Heinrich von Kleist and E.T.A. Hoffmann in Germany were writing romantic verse, stories and plays in the first decades of the century, sometimes appear to believe that "le Romantisme" was invented by Lamartine in 1820.

In any event, the French movement provoked a vast amount of painting in the first half of the 19th century, and an exhibition at the Grand Palais devoted to "The Romantic Years, 1815-1850" (until July 15) revives many of the lesser lights of a trend whose real celebrities today are such figures as Delacroix and Géricault.

Most of these works are absolutely dreadful. This is also what makes them fascinating.

Today, of course, in the broader European perspective, French Romanticism does not hold up well beside its German or English counterparts. The Germans, who are the true originators of this movement, gave it an unequaled depth and scope. Their painting (if we except Casper David Friedrich), may not be of transcendent worth, but in their literature the Romantic movement is an unparalleled exploration of inner experience in which the self takes precedence over society and the world. There could have been no Sigmund Freud without it.

The French, by contrast, tended towards posturing because the movement soon took a political (liberal, anti-authoritarian) slant. They bared their breast before bullets, but they did not open their hearts.

Much of the time, then, Romanticism and "le Romantisme" appear to be two quite different things.

There are a few paintings in this exhibition worthy of interest or praise, but most of them fall into unfortunate categories, historical, religious or genre, the most widely represented being that of "wax-works pathos" admirably illustrated by Edouard Cibot's "Anne Boleyn in the Tower."

Cibot's treatment of the lady's clothes is equal to the best craft of the great Dutch realists, but the overall effect is cold and dead.

Part of the problem we have with this sort of painting is that its function has more than adequately been taken over by the motion picture: as much can be said of such historical works as Joseph-Nicolas Robert-Fleury's "Scene of the Saint Bartholomew's Day Massacre" or Edouard Swebach's "Retreat From Russia" or indeed, on a grander scale, of Géricault's "Raft of the Medusa" and Delacroix's "Death of Sardanapalus" (which are not part of the exhibition).

There is too much greasepaint in all this and not enough painting.

A notable exception is Eugène Isabey's "Loading of the Ashes of Napoléon on 'La Belle Poule' — 15 October 1840." It is a large painting and its tremendous funereal rhetoric can still elicit a thrill of awe. Everything here is black: the sea, the sky, the ship. The emperor's large coffin, draped in white and black, hovers momentarily in mid-air amid the smoke of salvos fired by the ship's cannons. The mood is that of some mythic expedition into the sunless world of the dead.

Another grim-delightful sea scene is Théodore Gudin's "Fire aboard the Kent." The event recorded happened in 1826. The officer of the watch was inspecting the ship during a storm and dropped his lamp. The fire spread rapidly and another British vessel approached to pick up the passengers and crew. Many were drowned. Gudin's painting with its near vertical lifeboat and reclining ship is wonderfully suggestive of the immense power of the sea.

There is also a strange, dream-like quality in Auguste-François Biard's "Greenlanders Hunting Walrus." Biard took part in a scientific expedition in 1839, and the painting is essentially based on observation, but the strange drooping shapes of the surrounding icebergs lends an unexpected, quasi-surrealist note to the scene.

There are some good portraits, including one of Alexis de Tocqueville (the author of "Democracy in America"), by Théodore Chassériau, and one of Franz Liszt by Henri Lehmann.

THE most aggressively insipid production of the period is surely the religious work of such painters as Ary Scheffer or Alexandre-François Caminade. Oozing pathos from every pore they embody the ultimate corruption of the great Western tradition of religious art — on roughly the same aesthetic level as the plaster saints, but rather more objectionable because they lay greater claim on our attention.

Even Ingres sinned in this way, emulating Raphael in a sentimental vein which reduces the mythic scope of the subject to maudlin self-indulgence.

There are a few minor works by Corot in the exhibition, but it is thoroughly interesting to go from this one to the large Corot show in the same building. It gives you a better grasp of the merits of this fine and modest artist whose luminous little landscape stand timeless in the midst of all the fuss and silliness of his age.

"Les Années Romantiques: la peinture française de 1815 à 1850" will go on to the Palazzo Gotico, Piacenza, Italy, from Sept. 6 to Nov. 17.

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A Hercules statuette by Pier Jacopo Alari-Bonacolsi known as Antico.

The Legacy of a Discreet Collector

International Herald Tribune

SOUREN MELIKIAN

LONDON — Imagine a mix of Evelyn Waugh for the irony, with a soupçon of Nancy Mitford flippancy and a dose of Balzac for the intensity of a lifetime passion ending in deep gloom as Bonhams dispersed a £5.8 million art hoard that had lain hidden for decades.

That gives a faint idea of the surprising story of Sylvia Phyllis Adams, now in her 90th year and cut off from the world by illness. The details will never be known in their entirety. "Reticent, self-effacing," is how Cyril Humphris, a leading London dealer who recently retired after four decades in the job, remembers her. "She commanded respect," he adds wistfully.

Miss Adams, as everyone knew her, was born in Blaby, Leicestershire, on June 17, 1907. Her father, from a well-off middle-class background, was a Methodist lay preacher. How she came to be attracted to the world of collecting remains a mystery. Humphris characterizes her as "the kind of woman you might see walking into Harrods," invariably wearing a two-piece suit. And a hat, the obligatory mark of propriety of her generation. Yet, in the early 1930s, breaking with tradition that kept women in her class away from work, she became a receptionist in a London antique shop. Gerald Kerin, who sold furniture and objets d'art — there was no question of narrow specialization then — is still remembered with admiration for his profound knowledge in his fields of election such as Renaissance bronzes. Just by being there, Miss Adams absorbed knowledge and, most importantly, a sense of authenticity, as Humphris put it. So did, up to a point, a young man called Charles Copper, who helped in the shop.

As the 1930s crisis precipitated Kerin into difficulties, the young woman, who had money, and Copper, were made partners. By 1938 they had set up their own business. Copper, who had become an experienced market hand, appeared at auction, but according to William Redford, the Mount Street dealer, who knew her for years and speaks of her eye with a high regard, she made the decisions. Humphris believes that their relationship went beyond a business arrangement. In those days discretion and silence prevailed in private life. Copper had a family. She never married. When he died in the 1960s, Miss Adams retired.

In effect she went on doing what she loved most — buying. She expanded her interests to Georgian furniture, Sèvres biscuit figures and mid-19th-century pieces in 18th-century taste.

In quiet solitude, she surrounded herself with the trappings of middle class gentility. Her acquisitions reflected her manner. The furniture was in predictably good taste. Curiously for a professional, she often turned to expensive West End galleries as if she relished the label of Establishment respectability.

From Norman Adams, she bought in 1974 an unobtrusively refined pair of George III cabinets-on-stand with charming friezes in grisaille on black, and for a pair of marquetry side tables in the English subdued version of Louis XV Rococo, she turned that same year to Hotspur. When these appeared on May 8, at Bonhams, the attendance responded variously to these mementos of the understated taste of a bygone age. The cabinets sold for a moderate £19,550 ($29,350), while the side tables, carried by the vogue for English Rococo which started around the time they were bought, made it to £49,900, well beyond expectations.

Occasionally, the former dealer gave in to the temptation of carrying off a piece of Country House glamour. She must have taken delight in buying two torchères designed by James Wyatt when commissioned in 1778 to enlarge part of Broome Parke in Kent. A period photograph shows them in situ in 1909. On May 8, the pair brought £29,900.

Was it an accident, however, if her best piece of furniture, a Queen Anne giltwood stand carved around 1710 in the manner of John Pelletier, came closer to the sculptor's art than to the cabinetmaker's skill? With its six heads in high relief and its sharply chiseled foliage, the stand must have held instant appeal to the bronze connoisseur that she was. It did to those attending at Bonhams as witness the generous £46,000 it commanded.

For, pleased as she may have been to re-create the Georgian setting which in her youth equated with elegance, there can be little doubt that her true love was for the Renaissance bronzes and other small sculpture from the 15th to the early 18th century so intensely admired by Europeans steeped in the Classical tradition earlier in this century.

Those that she bought or, in some cases, retained from the Kerin days speak of her discernment as much as her remarkable eclecticism, as could be seen this week on Wednesday and Thursday.

THE dealer turned collector owned one of the most beautiful ivories ever carved by David Le Marchand, probably about 1710. Discovered among her belongings by Bonhams, it made it, only just, to the catalogue of the Le Marchand show on view at the British Museum until Sept. 15.

The sensation caused by the previously unpublished double portrait of a woman and her daughter sent it zooming to £188,500, nearly six times the previous record for Le Marchand. It should soon be gracing the collection of the "Canadian buyer" mentioned by Bonhams, who, professionals say, is Lord Thompson of Fleet.

Another sensation was created by a previously unrecorded ivory modestly "attributed" by Bonham's to the south German artist Leonhard Kern (1588-1662). The figure of a woman in the nude influenced by Antiquity displays a naturalism that is typical of the 17th century interpretation of Classicism. No one appeared to have much doubt regarding authorship, as the £104,500 paid by Achim Neuse of Bremen clearly shows.

This paved the way for the outbursts that greeted the bronzes on Thursday. The plaquettes served as a prelude. Not all were great. Some had obviously been bought in batches as was customary four decades ago in times of abundance when they were virtually unsalable. But they had been out of sight for ages and in this era of penury those that were handled in high relief and graced by famous names triggered quasi-hysteria from the professionals themselves.

David Katz of London paid £70,800 to get the "Death of Dido," a signed and undoubtedly autograph Andrea Riccio, and £45,500 for "Venus Chastising Cupid," either by Riccio or cast under his close supervision in his workshop.

This was peanuts, though, compared with the grand finale that came with a hitherto unrecorded statuette of Hercules cast in the early 16th century by Pier Jacopo Alari-Bonacolsi known as Antico.

It adds one more to the three casts of the subject accepted as authentic, all in museums. Some 19th century nasty overpainting, once removed, should reveal the original gilding and enhance the crispness of the chiseling. An anonymous buyer acting through Edric von Vredenburgh, the London dealer, paid a breathtaking £3,081,500. Bonhams had hoped, without being too sure, that it might climb to £1 million.

Miss Adams, now oblivious to all that surrounds her, will never know the extent of her triumph. Her personal exit from collecting must remain as discreet as were her thoughts, her passions, and her achievements. She is beyond media intrusion.

Spotlight on Offenbach: Three Acts on Parisian Musical Life

By David Stevens
International Herald Tribune

PARIS — Three small but intense exhibitions at the Musée d'Orsay, taken together — as they are obviously meant to be — offer a kaleidoscopic magnification of Parisian theatrical, musical and social life of the second half of the 19th century, and in particular the central role of its Jewish community.

One is a compact survey of the astonishing career of Jacques Offenbach, whose major operettas and opéra bouffes are, among other things, a coded politico-social history of life under Napoleon III.

Another traverses four generations of the Halévy family, whose members played major artistic, literary and intellectual roles, and whose marital and social connections cut across every part of the French Judeo-Christian landscape.

An extension of both of these is devoted to the collaboration of Ludovic Halévy and Henri Meilhac, the librettists of Offenbach's most durable comic stage works, but also of Bizet's "Carmen" and authors of a comedy, "Le Réveillon," that in due time supplied the younger Johann Strauss with the book for "Die Fledermaus."

Offenbach's father, a cantor in Cologne, brought his two sons to Paris in 1833, when Jacques (then Jakob) was 14. A gifted cellist, he was admitted to the Paris Conservatoire, stayed for a year, then joined the orchestra of the Opéra Comique. During 1850-55 he was music director of the Comédie Française, a less auspicious post than it sounds.

From 1855, as a composer of musical stage works, and often director of his own theater and in serious financial difficulties, he had an uphill battle. At first he had to contend with limitations due to the Paris Opéra's two-century-old virtual monopoly of the lyric stage. At first limited to one-acters with no more than three characters, he was not allowed a full troupe until 1858, the year of the first version of "Orphée aux Enfers." In 1864, the restrictions on theaters were lifted, meaning that any theater could perform musical works, and that began his triumphant collaboration with Meilhac and Halévy.

The exhibition is a compact collection of photographs (including a dreamy early one, circa 1850, by Nadar), caricatures, posters and a survey of the major works as seen through costumed portraits of 10 of his regular performers.

THE patriarch of the Halévy family, Elie, came to enlightened Paris in 1791 from the ghetto of Fürth, near Nuremberg. His son, Fromental, became a leading composer. His five-act opera "La Juive" (1835), although hardly ever performed any more, made him one of the creators of French grand opera.

Fromental's daughter Geneviève married one of his pupils, Georges Bizet, who had first got attention by sharing first prize in a competition put on by Offenbach, setting to music a one-act libretto, "Docteur Miracle." After Bizet's untimely death, she married a lawyer, Emile Strans, and as Madame Straus held a celebrated salon and gained posterity in the pages of Proust.

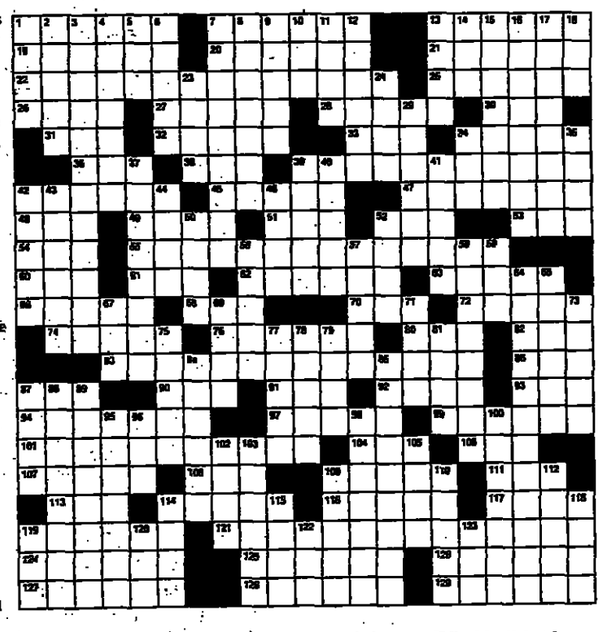
Ludovic, the librettist, was Fromental's nephew, and a celebrated writer (and member of the Académie Française) aside from his connection with Offenbach and Meilhac. He was primarily responsible for introducing his friend Edgar Degas to backstage life at the Opéra. Degas's intimate relationship with the Halévy family is amply documented here in photographs and drawings by the artist. History eventually intervened here in the form of the Dreyfus affair, which led to the alienation of the dreyfusard Halévys and Degas.

These are just a hint of the width of the Halévy net. The whole gifted family seemed also to have the gift of marrying into other gifted and important families, and the exhibition richly documents a fascinating cross-section of Parisian life almost up to the present.

The exhibitions continue at the Musée d'Orsay until June 23. Furthermore, the successful Opéra Eclat production of Offenbach's "Grande Duchesse de Gérolstein" is on until mid-July at the Bouffes-Parisiens, the theater the composer founded and directed and where he had his first bankruptcy.

Offenbach by Nadar.

GOING TO EXTREMES By Rich Norris



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ACROSS
1 Club name since 1892
7 Leave — for (give room)
13 Venice's Ponte di —
19 Stabilize
20 Bronze
21 Magazine
22 1959 Johnny Mathis hit
25 Small rock combo?
26 Riga native
27 Habituate
28 Emmy-winning TV host of 1949
30 Reception
31 Approving sound
32 Land ruled by Sargon
33 Generic transmitter
34 Jungle weather phenomena
36 HBO alternative
38 Whip but good
39 Shakespearean comedy
42 Pen
45 Leave on shore
47 Waiver
48 VCR button: Abbr.
49 Winter time
51 Rockefeller, for one: Abbr.
52 Line div.
53 Pro —
54 Pair connector
55 Thomas Hardy novel
60 New Deal org.
61 Merkel of the movies
62 Half-soled shoe
63 Some chasers
66 Trifler
68 Actress Clarke of "The Front Page"
70 Signs, sort of
72 "Some Like —"
74 Cut off from the mainland
76 Seed coatings
80 L.A. clock setting: Abbr.
82 Show one's humanity?
83 1967 Newman film
86 Slew
87 Mil. titles
90 Self starter?
91 70's discipline
92 Hibernia
93 Sir — of Arthurian legend
94 Rubbers
97 Listing
98 Important points in a legal case
101 Early Eastwood film
104 Subject of psych. research
106 Cartoon canine
107 Some are tall
108 Foerster opera
109 Cock and bull
111 — Cat
113 Potash
114 Capriccio
116 *One of the* Carolines
117 Enter, in a way
119 Baseball rarity
121 1992 Best Picture nominee
124 Bright
125 Work of Ovid
126 "The Fugitive" lieutenant
127 Marx collaborator
128 Gone
129 Covered

DOWN
1 Breeze (along)
2 Put under
3 Hit 70's-80's sitcom
4 Beats
5 Take
6 One of the bold ones?
7 Like some obligations
8 Component of syntheric rubber
9 Cat, at times
10 From — Z
11 Check
12 Marine abode
13 Latest
14 Kind of verb: Abbr.
15 Affectionate
16 Parlor piece
17 Monograph
18 Olive —
23 Hardware item
24 Bond adversary
29 Big name in fashion
34 Elem. particle
35 Florist's unit
37 Wizard
39 Had a part (in)
40 Show uncertainty
41 Toys since the 1940's
42 Brooklyn's — Institute
43 Expulsion from a country
44 Parser's concern
46 Result of a strain
50 Cocktail party offering
52 — Ball
56 Suit fabric
57 Put the kibosh on
58 Tide component
59 "Just kidding!"
64 Hammett novel
65 Angry with
67 Seasonal worker?
69 Working hard
71 Instigate
73 Walter's weights
75 Frank document
77 Wind —
78 Delectable
79 Con
81 Look at the highlights
84 Well driller's joy
85 Frees
87 Unused
88 Test
89 Setting out
95 Skyline sight
96 Words from gramps, maybe
98 Some upholstery
100 Bring back
102 Gardner and others
103 Riotous spree
105 Loot
109 Software convenience
110 Steel impurities
112 Albers's "Homage to the Square," e.g.
114 Apple polishers
115 Word from Tonto
118 Prefix with scope or spore
119 Poetic monogram
120 *Diamond* gal
122 Nice name
123 Like some hours

Solution to Puzzle of May 25-26

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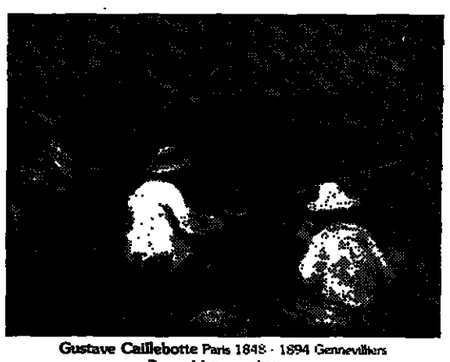

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The Israeli Election

No Consensus

The breathtakingly close Israeli election has pointed up Israel's lack of a national consensus about its approach to peace and its place in the Middle East. Managing the divergent claims and expectations of a divided electorate will require sensitive and skillful leadership by Benjamin Netanyahu in the weeks ahead, leadership that seeks to bridge differences and emphasize common interests.

Given a chance for the first time to vote separately for prime minister and Parliament, Israelis abandoned their traditional allegiance to the Labor and Likud parties, which have long dominated Israeli politics. Both lost seats to a batch of smaller political organizations representing various constituencies, including Orthodox Jews, Russian immigrants and Israeli Arabs.

Mr. Netanyahu will be able to patch together a governing coalition in the Knesset built around the Likud bloc, but he will have to be sensitive to the views of centrist parties. The jumbled state of the new Knesset fairly reflects the political divisions in the country and reflects the message of this election: Israelis want both peace and security.

To balance those interests, the Israeli government must honor the legally binding agreements with the Palestinians and Jordan negotiated by Shimon Peres and his predecessor, Yitzhak Rabin, who was assassinated last November. That includes continued acceptance of Palestinian authority over the major Arab population centers in the West Bank and Gaza. Any effort now to walk away from those accords would throw Israel back into a state of hostility with its neighbors and undermine the steady growth of its economy.

How vigorously Israel should pursue the next phase of negotiations with the Palestinians may be more difficult to determine after this past week's divided vote. Mr. Netanyahu's supporters favor a cautious approach that stops well short of an independent Palestinian state or any change in the status of Jerusalem. They support continued Israeli security control over most areas of the West Bank and expanded Jewish settlements there. Mr. Peres was prepared to push on toward a more comprehensive peace with the Palestinians. Some common ground needs to be found.

Both Mr. Peres and Mr. Netanyahu promised to seek a peace deal with Syria, but Mr. Netanyahu has balked at returning the Golan Heights as part of any agreement. It is also far from clear whether Hafez Assad, the Syrian president, is prepared to make a deal with any Israeli leader.

After three years of peacemaking, the arrival of half a million Russian immigrants, the murder of a prime minister and terrorist bombings in Tel Aviv and Jerusalem, Israel is a different country. Its political leaders learned this past week how much the politics of Israel have changed as well. The question now is how they can unite a divided land and give its people both peace and security.

—THE NEW YORK TIMES.

The 'Wrong' Choice?

The reluctance of Israelis of all political stripes to pronounce a winner in the contest for prime minister until all the votes were counted carried its own unmistakable message. It may be true that close counts only in horseshoes, but in politics close tells smart politicians that it is unwise to claim a mandate for sweeping change on the strength of a vote that plainly meant something else.

The almost 50-50 count recorded Wednesday meant Israelis are evenly divided over the gut question of how best to ensure their security in a profoundly dangerous neighborhood. And this at a time when negotiations with the Palestinians were due to move from a first-phase issue on autonomy to a final-phase address of large questions (borders, settlements, refugees, Jerusalem) on which Israelis have long been divided. The negotiations with the Syrians are not entering a new phase but plainly do require a new injection of commitment on both sides if they are to move along.

The crucial question is, of course, whether the Israeli people may have bought a logically balanced political package or whether they have, in their uncertainty and their understandable fear of terrorism, invited a political disaster. For the difference between Shimon Peres's Labor and Benjamin Netanyahu's Likud is great and cannot be brushed aside. Labor sees Israel's future in terms of gaining the acceptance of its Arab neighbors by gaining their consent for a compromise settlement. Likud has little trust in letting any part of its security and welfare hinge on agreements with Arabs or Muslims, with the possible exception of Jordan; it has the perfect policy for an anxious country situated in, say, Antarctica. Likud's constituency includes Israelis who want to hold on to occupied territories not simply for reasons of security but for religious purposes. This undercuts the whole set of expectations and transactions on which the traditional accepted formula of Arab-Israeli peacemaking — peace for territory — rests.

For the United States, the election poses the typical post-Cold War dilemma of supporting an ally freed by the ending of Cold War discipline to pick the "wrong" leader. Rightly and to good effect, successive administrations have understood that a policy of negotiation intelligently pursued is more likely to satisfy Israel's long-term regional and international needs than a policy of go-it-alone pointing to confrontation. The American interest lies in easing Arab-Israeli tensions, consolidating American strategic dominance across the region and firming up the forces of pro-Western modernization against extremist Islamic fundamentalist challenge.

An American election year would not ordinarily be considered the opportune moment for an effort taking on policy differences with an Israeli government. But an election year should be considered an opportune moment to display presidential leadership in the U.S. national interest. This can be done in abrasive, confrontational ways or by drawing on the deep springs of confidence and mutuality in the American-Israeli tie. This past week's election has changed the picture substantially in Israel, and the new dispensation will put the U.S. government's diplomatic skill and strength to the test.

—THE WASHINGTON POST.

Wife-Beaters and Guns

One of the most valuable provisions of the anti-crime bill passed by Congress two years ago prohibited individuals who are subject to a domestic-violence restraining order from purchasing or possessing a firearm.

Now Senator Frank Lautenberg would extend the ban on gun purchases and ownership to people convicted of a domestic-violence offense. Even a Congress packed with friends of the National Rifle Association should find this measure worthwhile.

The legislation is needed to plug a potentially deadly gap. Existing federal law prohibits convicted felons from buying guns. But that still leaves out many people who have been convicted of spousal or child abuse.

This is because acts of domestic violence are often prosecuted as misdemeanors, either as part of a plea-bargain deal or because of weak state laws that treat domestic violence far too lightly. No state currently bans the possession of a gun by those convicted of misdemeanor domestic-violence crimes. Yet the good sense of such a rule seems obvious. An estimated 150,000 incidents of domestic violence each year involve guns. The presence of a gun in the home triples the risk of a homicide in the home, according to a 1993 study in The New England Journal of Medicine.

The next move belongs to the Senate Republican majority. Senator Lautenberg, a Democrat from New Jersey, is seeking to attach his measure as an amendment to an uncontroversial anti-stalking bill that would make traveling across state lines to injure or harass another person a federal crime.

Republican leaders, starting with the Senate Judiciary Committee chairman, Orrin Hatch of Utah, have a duty to either accept Mr. Lautenberg's narrowly tailored ban or explain publicly why wife-beaters and child-abusers should have guns.

—THE NEW YORK TIMES.

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Netanyahu's Victory Opens a New Mideast Era

By Shai Feldman

TEL AVIV — The narrow victory of Benjamin Netanyahu in the race for Israeli prime minister, and the results of parliamentary elections held simultaneously this past Wednesday, have far-reaching implications for Arab-Israeli peacemaking and the nature of Israeli politics and society. It is too early to gauge all the potential consequences of these developments, but a few preliminary remarks may be appropriate:

• *The Middle East peace process:* During the campaign, Mr. Netanyahu emphasized that while seeking a "more secure peace," his government would accept the Oslo agreements signed by the Rabin-Peres governments. Mr. Netanyahu can be expected to keep his word and avoid a collapse of the peace process, but not because he feels morally bound by a promise made during the campaign. Rather, he is likely to continue the pursuit of peace because he is well aware that a vast majority of Israelis support the general principles of the Israeli-Palestinian peace process — separating the two peoples by ending Israel's control over the Palestinians and by providing them with effective self-rule.

At the same time, Mr. Netanyahu's victory also means that a large number of Israelis have become increasingly concerned about the security implications of the peace process. Shimon Peres was seen as moving too quickly, without ensuring Palestinian compliance with the agreements and without safeguarding Israel's continued ability to prevent terrorism. Consequently, Mr. Netanyahu's government will enjoy a clear mandate to pursue peace in a slow and cautious fashion. This will coincide with Likud's inherent reluctance to make major concessions in Israeli-Palestinian final-status negotiations that opened in early May. Mr. Netanyahu's likely coalition partners — primarily the National Religious Party and the Third Way party — will only strengthen Likud's reluctance to make further concessions to the Palestinians.

• *The strategic consequences of terrorism:* Likud's campaign, emphasizing the diminished personal security felt by many Israelis as a consequence of the Rabin-Arafat bargain, could not have succeeded without the suicide bombings in Jerusalem and Tel Aviv by members of the Islamic fundamentalist Hamas movement. The creation of a Netanyahu government that might slow Arab-Israeli peacemaking, serving the interests of the fundamentalists in preventing Jewish-Arab accommodation, implies that for the first time terrorism has proven a useful tool for achieving strategic objectives. The possible implications of this success for other regions and settings should not be ignored.

• *Fragmentation of power:* The elections to the 120-member parliament, the Knesset, resulted in a major blow to the two large parties — Labor and Likud together lost some 18 seats — and in a dramatic increase in the relative strength of the smaller parties. This was largely a consequence of electoral reform adopted in the last two years that allows citizens to now split their vote between their favorite candidate for the premiership and the political party of their choice. The resulting redistribution of Knesset seats is bound to increase the bargaining power of the smaller parties in the post-election coalition formation process. It will also decrease the prime minister's margin for maneuver after the new government is formed.

Terrorism has proven a useful tool for achieving strategic objectives.

• *The rise of sectoral politics:* Most of the parties that will enjoy increased strength in the new Knesset represent narrow sectoral interests. The religious parties seek greater support for their educational institutions, the Russian immigrants' party wants better housing and better jobs for its constituents and the Third Way party wants to prevent withdrawal from the Golan Heights. In the future, other sectors of Israeli society may try to emulate this success, thereby contributing to the further fragmentation of power.

• *Religion and politics:* The most dramatic result of Wednesday's elections was the increase in the strength of the three religious parties — the National Religious Party, the party of the religious Sephardic Jews (Shas) and the Flag of the Torah party. Together, these parties are likely to be represented by some 25 members — up from 16 in the outgoing Knesset. In coalition formation bargaining, these parties may make extensive demands in matters pertaining to religion-state relations. If this does happen, much greater polarization between religious and secular Jews can be expected.

The writer, a senior research fellow at Harvard University's Center for Science and International Affairs, contributed this comment to the International Herald Tribune.

A Jewish Majority Voted for a Peace That It Could Trust

By A. M. Rosenthal

NEW YORK — On Election Day, Benjamin Netanyahu had the support of a substantial majority of Israeli Jews. They included some leftists, plus moderate conservatives, centrists and much of the Orthodox right. This majority voted for peace, not war, with the Palestinians and other Arab peoples. They thought Mr. Netanyahu would be more likely to give them the reality of peace, not a charade of peace, than Shimon Peres.

But the depth and variety of Israeli Jews who supported Mr. Netanyahu and their desire for peace has never been grasped or was ignored by his opponents abroad, from President Bill Clinton on down.

For years the opposite has been preached on TV and printed by American and European writers, politicians and academics who had committed themselves to Mr. Peres and the Labor Party.

They painted all Israeli and foreign Jews who did not accept the Labor plan for a settlement with the Palestinians as enemies of peace. In the United States, Bill Clinton openly campaigned for Mr. Peres, violating international conduct and risking presidential credibility, his strange addiction.

Now that Mr. Netanyahu has won the election, it is important to understand how distorted this portrait of Israeli reality was and take it off the wall. Otherwise, achievement of peace will remain far more difficult than it will be if the ideas and hopes of this Jewish majority are decently respected.

Technically Mr. Netanyahu's edge came from a thin majority of the citizens of Israel. That was because 99 percent of Israeli Arabs voted for Mr. Peres. Maybe some day Arabs in Arab states will be given equal voting freedom.

But it is hypocrisy — worse, fatuous — not to acknowledge that the election was about the fate of a Jewish state. To work, those decisions must be by a Jewish majority.

More than 55 percent of Jews voted for Mr. Netanyahu. They did so despite Mr. Peres's whopping advantages — a healthy economy and the tireless choreographed support from President Clinton.

And they did it despite the unrelenting pressure of ugly attack from abroad. No other majority is demonized as eager for bombs from neighbors to fall on its land, eager to keep its children in lifelong danger.

Their offense was to criticize Mr. Peres's peace plan, worked out in stealth. It included giving up most of the West Bank, plus the Golan Heights, the inevitability of a Palestinian state and ambiguity about Jerusalem. And worst of all, subcontracting Israeli protection against terrorism to Yasser Arafat.

Labor, led by Yitzhak Rabin and Mr. Peres, had said it would not do such things. That was before the 1992 election. So, plainly, the majority wondered which promises Mr. Peres would break this time if elected. Is that hard to understand?

The majority was not voting against peace — the very idea is idiocy — but for the hope that Mr. Netanyahu and a Likud-led coalition might create a peace they could trust while they slept, not just while they stood at arms.

Mr. Netanyahu would continue peace talks. He will not demand the return of the West Bank territory already given to the Palestinians. But he will ask for adjustments that would give Israel more military security. The Golan Heights: no. And he will insist that Israel, not Mr. Arafat, is responsible for the protection of Israelis against terrorism, from wherever it comes.

Mr. Netanyahu's job will not be merely to stand firm. He will have to do something new for him — seize opportunities to move toward peace, even if some of his coalition object.

All the while, political attacks will resume against Israel from governments that patted it on the head for doing what they and Mr. Peres wanted. Some Arab leaders may not be so cozy to important Jewish visitors from America.

But others will remember that the only land-for-peace deal, with Egypt, was made not by Labor but by Likud's Menachem Begin. And given Palestinians' itch to run Jordan, maybe King Hussein will find limitation of their armed power bearable.

Those American Jews who will give Israelis anything but forgiveness for a Labor defeat will try to destroy a Netanyahu government. They will resume the warmonger chant against the Israeli Jewish majority and maverick foreign journalists who try to explain it, like me. Bearable.

The New York Times.

France Hoists the Old 'White Man's Burden' in Central Africa

By Jim Hoagland

WASHINGTON — French jet fighters and helicopter gunships shot up an African town the other day, quashing a small army mutiny. Hardly anyone in the outside world bothered to applaud, condemn or even notice. Bearing the white man's burden is lonely work at the end of the 20th century.

France's intervention in Bangui, capital of the Central African Republic, and the general indifference that greeted this act of thunderbolt diplomacy mark another twist on the roller coaster of relations between the affluent, white-led countries of the Northern Hemisphere and the less developed nations of color in the global south.

Thirty years ago — as Africans cast off the chains of colonial rule — white European pilots shooting up black soldiers and civilians would have been (actually were) denounced as murderous neocolonial racists. They would have been strung up, verbally or in effigy, in the halls of the UN, on campuses across America and in an attentive world media.

Beginning a painful and still unfinished effort to sort out their own racial conflicts, Americans saw the decolonization struggle of the 1960s through a good vs. evil prism of racism. Moreover, the Cold War made each new African nation an asset to be courted and won. There were strong economic interests in countries blessed with then-vital minerals.

The tenor of the times was reflected by the shock that journalists at The Washington Post registered over this suggestion by a senior editor at the newspaper: The way to deal with Africa was to build a fence around the continent and then peek in 100 years later to see if anything had improved.

What is shocking today is that the world is more or less taking up that editor's suggestion. France's action in Bangui is shrugged off as an anachronism. For America's leading newspapers and broadcast media, the conflict in Bangui merited a few lines from a laconic May 27 Associated Press dispatch:

"The ferocity of the French intervention, which included attacks by Mirage jet fighters and helicopter gunships on the city, has prompted civilian anger against President Ange-Félix Patassé," whom Paris intervened to rescue. About 200 mutineers were demanding back pay and Mr. Patassé's ouster. Only the French care enough about Africa today to shoot up its towns to restore order and keep an unpopular government in place.

Actually, in this case as in all other phases of life, it is the French that the French care about. Projecting power into former colonies is a matter of self-definition. "We intervene, therefore we are," says the foreign policy analyst Dominique Moisi, playing off Descarte's definition of existence to summarize his country's general attitude toward action abroad.

The United States, by contrast, has chosen to let its only political creation in Africa — Liberia — descend into the lowest circles of hell rather than intervene in time to stop the brutal civil war that rages there. Britain, Portugal and Spain long ago shucked off any residual responsibility for keeping their former colonies in line.

There is little honor or profit to be found in either approach — intervention à la française, indifférence à l'américaine. But I think history will judge more harshly America's indifference, manifested toward a country founded by freed American slaves with official U.S. encouragement.

The French have at least accepted the moral implications of "the white man's burden," the controversial phrase coined by Rudyard Kipling to encourage the United States to take on colonial responsibilities in the Philippines.

For whatever reason, Paris accepts that its colonial past implicates it in the disorder, conflict and corruption so rampant in the African present. Americans — lousy at colonialism, worse at neocolonialism — largely feel no such obligation anywhere in Africa or Asia. Liberia and Somalia turn out to have been one-night stands.

I do not mean to suggest that there are simple or painless options for the United States in Liberia or in the other failed states of the Third World. The results achieved through several decades of development spending do not inspire much confidence in the ability of outsiders to influence events in the vast continent of Africa either.

But a first step Americans — political leaders and the media, first of all — can take is to recognize that they have replaced an earlier misguided unquestioning enthusiasm for political Africa with an equally misguided all-encompassing cynicism about the continent's problems today. They overshoot the runway again in seeing cause only for despair.

The Washington Post.

Curse of the Clinton White House

By Maureen Dowd

WASHINGTON — Maybe it's the Curse of the Mummy. The White House seemed to have the election wrapped up until President Bill Clinton made a crack about wanting to date that "good-looking" 500-year-old Incan mummy known as the "Ice Princess."

Then things unraveled.

The Clinton flaws that were not fatal in '92 — indiscretions on the draft, women and Whitewater — leaped back into view, just when Clintonites thought they had wrestled them off the screen and had painted Republicans as blowhards, hypocrites and meanies.

It probably should not have surprised anyone, given the history of the Clinton presidency as exploding cigar, where the only absolute certainty is no certainty.

There was the embarrassing Memorial Day donnybrook over the ludicrous attempt by the president's lawyer to extricate him from a sexual-harassment lawsuit by putting him on active duty.

Hillary Rodham Clinton told Time she wanted another child, causing one wag at the magazine to joke that the Clintons were trying to change the subject from same-sex marriage to same-marriage sex.

Then the twister hit, when an Arkansas jury declared the Clintons' Whitewater business partners crooks, putting fresh life into tired Republican scavenger hunts and a moribund Dole campaign.

Alfonse D'Amato, who had sounded morose and beaten, picked up where he left off with a nasal whoop: "There were bogus loans, fictitious transactions, and then the billing records turn up in the private residence of the Clintons?" he said on the phone from New York. "How did they get there? Where did they come from? Who had them? There'll be one more big shootout over this."

Clinton aides, who had been cocky, turned lugubrious. They had expected a Whitewaterless summer. Their response was customarily rapid, but it had a new air of desperation. They produced the president himself only an hour and a half after the Little Rock verdicts. But it sounded timy when he did his Good Father routine, telling reporters he couldn't waste any more time discussing the verdict because he had to get back to the work of the nation.

White House spinners could no longer claim that the scandal was an invention, a conspiracy, a cynical media roast. So they claimed the verdicts were irrelevant, even as they hurried officials to TV studios and blanketed the press with an eight-page compilation, including quotes by jurors who had found Mr. Clinton's testimony credible.

Mummies (and mommies) aside, there is a horror-movie quality to Bill Clinton's predicament, skeletal hands from his past reaching up to pull him back. At the '92 Democratic Convention, Harry Thomason produced a documentary called "A Man From Hope." But Bill Clinton is really the man from Hot Springs, the old hangout of gamblers and roués where he grew up and where, as the mayor once observed, "every family in town has a skeleton rattling around in the closet."

Mr. Clinton is the golden boy who leaves his messes behind for others to clean up, sliding out of predicaments that would be fatal to less nimble pols. He had tried to jettison the parts of Arkansas that might reflect badly on him. He dropped the McDougals long ago. James McDougal watched bitterly as his old friend, the man he had worked with, worked for and tried to help financially, rose to the top of the heap as he sank to the bottom. Hot Springs eternal ...

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Tragic Festival

MOSCOW — A catastrophe on the Khodynskoe Plain has marred the Tsar's coronation festivities. It was intended that this should be "a grand folk festival" where the poor and lowly could have their fling. People began to flow towards the Khodynskoe Plain. They all made for the booths from which coronation packages were to be distributed. Ugly rushes were made and women began to utter piercing shrieks and some fell. The mob behind pushed forward thinking that those in front were getting all the good things. The crowd surged forward like a gigantic wave until higher and higher the struggling mass of dead and dying was piled.

1921: Arms 'Feelers'

WASHINGTON — It is learned in high Administration circles that "informal feelers" with respect to an international agreement for the reduction of armaments have been put out within the past few days. It is expected that replies will be received soon from these "feelers," both from London and Tokio, to which they were addressed.

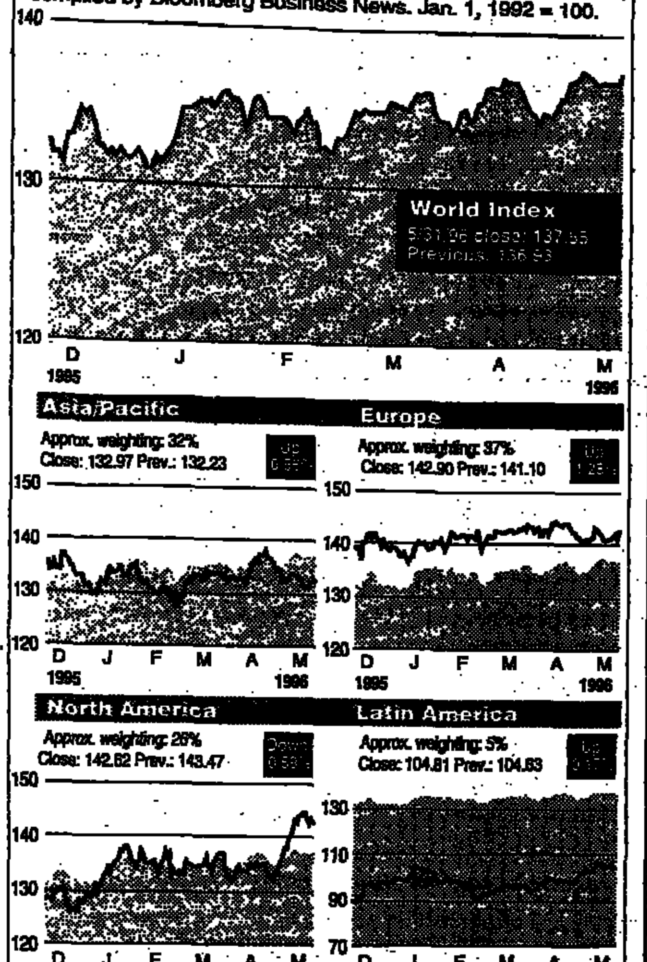
1946: Holy City Upset

JERUSALEM — A lively expectation of impending trouble reigns over the Holy City. Machine-guns, roving armored cars and swarms of armed police are far more dominant than any shrine. Nobody will say who is going to start the trouble, but there is a general agreement that it is likely any minute — largely due to recommendations by the Anglo-American Committee that 100,000 Jewish victims of Nazi persecution should be authorized immediately to enter the country. There is no doubt that the Arab extremists are threatening war if more Jews arrive.

هكذا من الأصل

THE TRIB INDEX 137.55

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



World Index

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Fri. close	Prev. close	% change		Fri. close	Prev. close	% change
Energy	144.29	144.46	-0.12	Capital Goods	148.49	147.97	+0.35
Utilities	128.96	127.56	+1.10	Raw Materials	159.69	158.65	+0.66
Finance	120.72	119.87	+0.71	Consumer Goods	144.75	144.55	+0.14
Services	128.38	127.59	+0.62	Miscellaneous	147.03	145.24	+1.23

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

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NYSE Battles an Obscure Market

Stakes Are High for Combatants and for Investors

By Leslie Eaton
New York Times Service

NEW YORK — It may look as ludicrous as a battle between a rhino and a rabbit, but a fight raging on Wall Street is deadly serious both for the combatants and for American investors.

The giant New York Stock Exchange is using its considerable might to try to close down the Cincinnati Stock Exchange, an obscure little outfit that most Americans have never tried to trade on.

The Big Board says it is out to protect amateur investors from a system that can too easily take advantage of the unwary.

But Cincinnati and its supporters contend that the fight is really over the New York exchange's own power and profits and maybe even over what the stock market of the future will look like. They maintain that small investors have benefited from the competition that Cincinnati and other regional exchanges have stirred up.

Both the Big Board and Cincinnati are probably more interested in protecting their turf than in upholding investors' rights. But investors should gain from the dispute, if only because it gives them insight into how brokers make money off their trades.

Refereeing the bout — or caught in the middle of the melee, depending on your point of view — is the Securities and Exchange Commission.

So far, the SEC has sided with Cincinnati. On March 29, saying it had found no evidence that investors had been hurt, the agency gave permanent approval to the exchange's rules that allow brokerage houses to make extra money at the Big Board's expense.

But the fight is by no means over. The New York Stock Exchange has mounted an aggressive campaign in the press and on Capitol Hill to force a change in SEC policy. It wants the agency to end Cincinnati's program, technically known as "preferencing," which would in effect put its tiny rival out of business.

It has sponsored conferences and run radio ads in an effort to convince Americans that New York, and New York alone, is the best place to trade.

At first glance, the Cincinnati exchange looks as if it has to be bad for investors. Actually, that's at second glance; at first glance, Cincinnati just looks weird.

For starters, it is not even in Ohio, much less Cincinnati. It is based in Chicago, and its chairman works in New York.

It is not recognizably a stock exchange. It is a computer affiliated with the Chicago Board Options Exchange. It mainly handles small trades in blue-chip stocks for a handful of Wall Street firms.

Created in 1885, Cincinnati was until recently the smallest and most obscure of the regional stock exchanges, which also include Philadelphia, Boston, Chicago (previously the Midwest), and the Pacific, which has trading floors in San Francisco and Los Angeles.

Initially incubators for local companies, the regionals have become places to trade stocks listed in New York at less cost and under slightly different rules. Big brokerage firms have used them to pressure New York to keep costs down.

What suddenly made Cincinnati truly competitive, though, was its new trading system, which lets brokerage firms make invisible profits from small investors.

Not surprisingly, Cincinnati is booming. Trading has skyrocketed tenfold since the new rules took effect in 1991, to 3.3 million transactions last year. Its share of the national market has shot up from almost nothing to about 4 percent — and to more than 20 percent of the small trades in some stocks — outpacing the Boston and Philadelphia exchanges and gaining on Chicago and the Pacific Stock Exchange.

How does the Cincinnati system differ from New York's? Say you decide to buy 500 shares of AT&T Corp. or Kmart Corp. at the current market price. If your broker sends the order to the New York exchange, it is turned over to a specialist who acts as an auctioneer. The specialist gets a commission for matching your order with a sell order that he has on his books or that he gets from his computer or from a trader in the crowd.

If he lacks a good match, he will sell you stock he owns at a markup of at least 12.5 cents a share, or one-eighth of a dollar. Thus, if he pays $20 a share,

See STREET, Page 13

Lucas Is Buying Rival Maker of Brake Systems

Compiled by Our Staff From Dispatches

LONDON — Lucas Industries PLC will acquire Varity Corp. in a stock swap, creating an auto-parts giant worth $4.9 billion, the companies announced Friday.

The Britain-based LucasVarity PLC will have annual sales of $6.7 billion and will rank among the top 10 automotive suppliers worldwide.

About a third of the revenue will come from passenger car and truck brake systems.

Lucas shares closed up 13 pence, at a record 244.5 ($3.76). Varity shares finished in New York up $3.125, at $49.125.

"I don't believe you can compete in the auto-parts business unless you're a global supplier," said Victor Rice, chief executive of Varity. "If you look at Varity, it was a North American supplier. And at best, Lucas was a European supplier."

Mr. Rice, who predicted no problems gaining antitrust clearance for the combination, will be the chief executive of the new company. Sir Brian Pearse, the chairman of Lucas, will be chairman.

Lucas will hold six of the 11 board seats, and its shareholders will get 62 percent of the new company's stock.

Lucas shareholders will receive one share in the new company for each share they now hold. Varity investors will receive 1.38 American depositary receipts for each share, leaving 38 percent of equity to be traded on the New York Stock Exchange.

Varity's major brake customers are the Big Three U.S. automakers, while Lucas's big customers are the European companies Volkswagen AG, Bayerische Motoren Werke AG and Renault.

Consolidation costs will total £50 million, the companies said, but they will cut costs by about $100 million a year, in part by eliminating a small number of overlapping administrative jobs.

"We do not expect large-scale job losses and indeed in the longer term we see some job creation," said John Grant, finance director of Lucas.

"This is a defensive move," said Zafar Khan of Société Générale Strauss Turnbull. "Customers want complete braking systems, and each of these companies is good at making only one type of brake.

"Braking is where the real synergies are," he added "and although both companies have their weak sides — Varity have Perkins engines and Lucas the aerospace business, for example, a merger would mean they do not have to make any sales."

(AP, Reuters, Bloomberg)

New Plan For KHD

Compiled by Our Staff From Dispatches

BONN — Deutsche Bank AG appeared ready Friday to bail out Klöckner-Humboldt-Deutz AG, saving the company from financial ruin for the third time in a decade.

KHD and Deutsche Bank have been in intense negotiations since May 24, when the company learned that leading executives at one of its subsidiaries had concealed losses of up to 650 million DM ($425.11 million) arising from incorrect calculations for cement plant contracts in Saudi Arabia.

The company met with its supervisory board, headed by a Deutsche Bank board member, on Friday and will meet with about 40 other creditor banks on Wednesday. KHD said it expected a decision on a restructuring plan after that meeting.

"Those involved are of the opinion that we are well on the way to realizing a restructuring plan," KHD said. "Talks will continue."

KHD provided no details of the plan, which other partners said was still being worked out. Government subsidies are a possibility, at least from the city of Cologne, where about 5,500 of KHD's 9,500 employees work.

"We certainly do not rule out direct subsidies, as long as they are within regulations and financially feasible," said Inge Schuermann, a city spokeswoman.

Deutsche Bank holds 48.6 percent of KHD.

(Bloomberg, Reuters)

IPO Values Wired at 18 Times Revenue

Bloomberg Business News

SAN FRANCISCO — Wired magazine's publisher filed Friday for an initial stock sale that values the company at $447.5 million, a price more in line with the Internet companies it follows than its own industry.

The magazine, which premiered in 1993, chronicles the Internet and the people and companies behind its explosive growth.

Wired Ventures Inc., its publisher, filed to sell up to 6.3 million shares, representing a 17 percent stake. At the maximum price of $12 a share, the sale would raise $75.9 million.

"It will be treated as an Internet company, and not a traditional magazine," said Lauren Fine of Merrill Lynch & Co.

The company plans to use the proceeds to pay debts and finance its development. It also operates an on-line publishing site, HotWired, and a new book publisher, Hard-Wired.

The $12-a-share price would value Wired at 17.9 times last year's revenue. Publishers typically sell for one to two times their revenue, said Martin Walker, chairman of Walker Communications, a magazine consulting firm.

"There's no magazine in the world with 325,000 circulation that's worth that kind of money," he said. "They're suffering from Silicon Valley fever."

Mecklermedia Corp., which publishes solely on the Internet, trades at 10 times revenue. Other, nonpublishing Internet companies have held successful initial public offerings at even higher values.

Yahoo! Inc., whose guide enables people to conduct searches of the Internet's World Wide Web, trades at 528 times revenue. Netscape Communications Corp., the maker of the most popular software for viewing the Internet, trades at 70 times revenue.

Wired magazine established its presence with splashy graphics and an unconventional style, which soon won it converts among the growing number of computer and on-line service users.

"Wired made the Internet cool," said Wade Woodson, a partner at Sigma Partners, a California venture capital firm. "This is Wired's moment in the sun. They have a great brand on the Internet, but these things can fall apart very quickly."

ECONOMIC SCENE

A Brave New World Where Pricing Is King

By Peter Passell
New York Times Service

NEW YORK — Are you bored with economic forecasts that all come out the same? Take a look at the prognostications of Richard F. Hokenson, chief economist of Donaldson, Lufkin & Jenrette Securities Corp.

Mr. Hokenson forecasts a brief but fierce recession in 1997 that generates genuine price deflation for the first time since the 1950s. As a consequence, interest rates drop by a stunning 3 percentage points and the Dow Jones industrial average plunges below 4,000.

It sounds as if we should be afraid. But Mr. Hokenson also predicts that this recession will be a harbinger of a very different and a more productive world where adjustments to economic shocks come through changes in prices rather than in output and employment.

Forecasts of output, inflation and unemployment are generally similar because they are based on common assumptions about what drives the economy and how government policymakers will respond.

Mr. Hokenson's is different precisely because it does not depend on the conventional wisdom.

Start with the cause of economic downturns, which others see largely as the product of oil shocks and miscues in monetary policy by the Federal Reserve Board. Mr. Hokenson focuses instead on demographics — largely the rate of household formation, which influences demand for big-ticket consumer goods including houses, cars and appliances.

The number of Americans reaching age 25, Mr. Hokenson says, is a good indicator of household formation. Modest, steady growth in the numbers of "new" 25-year-olds between 1993 and 1996 yielded a better-than-expected rate of economic growth. But by the same token, the sharp falloff in 1997 — to 3.6 million from about 3.8 million — will set off a recession, he says.

See FORECAST, Page 13

When Boomers Retire: Scenarios for Stocks

By Jay Mathews
Washington Post Service

NEW YORK — Here is a long-term question stemming from the great stock market rise of the 1990s: If this is a baby boomer boom, fueled by the retirement savings of the generation born after World War II, will the market take a sickening drop when the boomers start selling that stock in the 2010s and 2020s?

As a speculative question, the experts say, it makes sense. "It is true that the baby boomers are entering a great accumulation phase, high savings and projected high rates of growth in the prices of financial assets," said Jeremy J. Siegel, professor of finance at the Wharton School. "Then you look at the other side, in 2020, and it's scary."

What goes up usually comes down. But so much can happen to savings habits and business trends in 20 years that it is difficult to say what might occur when the baby boomers retire.

Experts foolhardy enough to risk a guess on so little data are mostly optimistic. They say the boomers' children will be saving more than the boomers did. Foreigners will be pumping more money into the market. The boomers will find ways to buy their groceries without tapping into their mutual fund accounts.

"If the U.S. remains stable, there will be plenty of investments in that stock market," said Karl E. Case, a professor of economics at Wellesley College who specializes in long-term trends. "We are, relatively speaking, the most stable country in the world, and if you have to

See BOOM, Page 13

CURRENCY & INTEREST RATES

Cross Rates

May 31

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.711	2.6495	1.1192	0.3306	0.1106*	—	5.445*	1.3625	1.5815*	1.2125	1.3285*
Brussels	31.535	48.565	20.5535	6.0705	2.0061*	18.3665	—	25.888	0.29	22.9075	24.575*
Frankfurt	1.534	2.3605	—	0.2954	0.9904*	0.8934	4.8655*	1.2177	1.4157*	1.1175	1.1895*
London (a)	1.5522	—	2.3585	7.9945	2,384.37	2.6444	48.474	1.9209	167.32	2.1228	198.72
Madrid	129.824	199.497	84.093	24.838	8.331*	75.145	4.0915	180.48	119.059*	94.855	—
Milan	1,550.08	2,383.64	1,009.35	298.20	—	901.64	49.058	1,230.70	14.586	1,120.15	12.085
New York (b)	—	1.5533a	1.5221	5.1535	1,544.80	1.7045	31.30	1.2407	108.85	1.3588	128.28
Paris	5.3947	9.88	3.3857	—	0.3354*	3.0255	0.1647	4.1228	4.7935*	3.7068	4.808*
Tokyo	107.85	165.47	70.25	20.79	0.696	62.77	3.4184	85.66	—	70.72	0.8342
Toronto	1.3689	2.1323	0.899	0.2655	0.0887*	0.83	0.4371*	1.1096	1.2660*	—	1.067*
Zurich	1.2545	1.9285	0.8199	0.2421	0.08*	0.7322	3.9676*	—	1.1585*	0.9156	0.9728*
1 ECU	1.2484	0.8106	1.9154	6.4848	1,933.42	2.1434	39.3668	1.5729	135.284	1.7125	16.0087
1 SDR	1.4464	0.942	2.2116	7.4139	2,240.51	2.4337	45.505	1.8734	156.432	1.9789	186.43

*Closings in Amsterdam, London, Milan, New York, Paris, Toronto and Zurich, fixings in other centers; a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek drac.	241.93	Mex. peso	7.397	S. Afr. rand	4.3575
Australian $	1.2523	Hong Kong $	7.7375	N. Zealand $	1.4734	S. Kor. won	787.80
Austrian sch.	10.773	Hung. forint	152.35	Norw. krone	6.5448	Swed. krona	6.7407
Brazil real	1.015	Indian rupee	34.94	Phil. peso	26.19	Taiwan $	27.67
Chinese yuan	8.3463	Indo. rupiah	2331.75	Polish zloty	2.71	Thai baht	25.32
Czech koruna	27.87	Irish £	0.6327	Port. escudo	157.53	Turkish lira	77965.5
Danish krone	5.9131	Israeli shek.	3.306	Russ ruble	5030.50	UAE dirham	3.671
Egypt. pound	3.3945	Kuw dinar	0.2995	Saudi riyal	3.75	Venez. boliv.	470.00
Fin. markka	4.7240	Malay. ring.	2.50	Sing. $	1.4105		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5397	1.5389	1.5383	Japanese yen	107.76	107.30	106.85
Canadian dollar	1.3703	1.3694	1.3686	Swiss franc	1.2542	1.2501	1.2471
Deutsche mark	1.5287	1.5259	1.5231				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Eurocurrency Deposits

May 31

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 5/16 - 5 7/16	3 5/16 - 3 7/16	2 1/16 - 2 3/16	6 - 6 1/8	3 3/4 - 3 7/8	7/16 - 9/16	4 9/16 - 4 11/16
3-month	5 7/16 - 5 1/2	3 5/16 - 3 7/16	2 1/8 - 2 1/4	6 1/16 - 6 3/16	3 13/16 - 3 15/16	7/16 - 9/16	4 5/8 - 4 3/4
6-month	5 9/16 - 5 5/8	3 5/16 - 3 7/16	2 1/8 - 2 1/4	6 - 6 1/8	3 13/16 - 3 15/16	9/16 - 11/16	4 11/16 - 4 3/4
1-year	5 3/4 - 5 15/16	3 5/16 - 3 7/16	2 1/2 - 2 3/4	6 3/8 - 6 7/16	3 15/16 - 4 1/16	13/16 - 15/16	4 13/16 - 4 15/16

Sources: Reuters, Lloyds Bank. Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8¼	8¼
Federal funds	5¼	5 5/16
3-month CDs	4.94	4.92
CP 180 days direct	6.11	6.11
3 month Treasury bill	5.04	5.04
1-year Treasury bill	5.44	5.40
2-year Treasury bill	6.23	6.17
5-year Treasury note	6.62	6.57
7-year Treasury note	6.72	6.66
10-year Treasury note	6.85	6.79
30-year Treasury bond	6.99	6.93
Merrill Lynch 30-day RA	4.78	4.78
Japan		
Discount rate	0.50	0.50
Call money	0.44	0.41
1-month interbank	0.56	0.56
3-month interbank	0.59	0.59
6-month interbank	0.69	0.69
10-year Govt bond	3.16	3.19
Germany		
Lombard rate	4.50	4.50
Call money	3.25	3.45
1-month interbank	3.37	3.37
3-month interbank	3.40	3.32
6-month interbank	3.33	3.30
10-year Bund	6.50	6.49

Britain		
Bank base rate	6.00	6.00
Call money	6⅛	6¼
1-month interbank	6 1/16	6 1/16
3-month interbank	6 1/16	6 1/16
6-month interbank	6⅛	6⅛
10-year Gilt	8.11	8.18
France		
Intervention rate	3.70	3.70
Call money	3¾	3¾
1-month interbank	3¾	3¾
3-month interbank	3 13/16	3 13/16
6-month interbank	3⅞	3⅞
10-year OAT	6.54	6.55

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Crédit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	390.90	390.25	-1.25
London	390.55	390.55	-0.75
New York	393.70	394.40	+0.40

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Aug.)

Source: Reuters.

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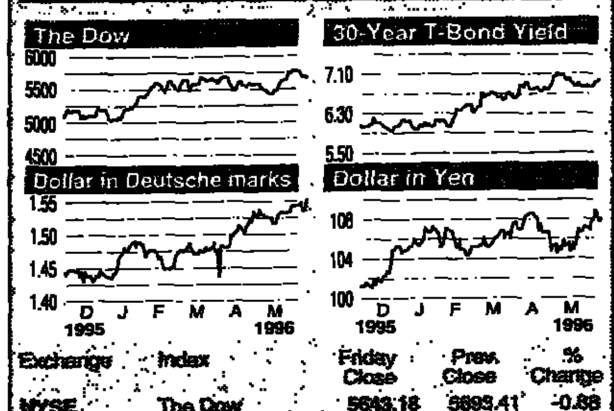

Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	5643.18	5693.41	-0.88
NYSE	S&P 500	669.12	671.70	-0.38
NYSE	S&P 100	646.02	649.09	-0.47
NYSE	Composite	358.83	360.24	-0.39
U.S.	Nasdaq Composite	1243.44	1233.48	+0.81
AMEX	Market Value	610.99	609.41	+0.25
Toronto	TSE Index	5246.46	5225.38	+0.40
São Paulo	Bovespa	57425.40	56877.97	+0.96
Mexico City	Bolsa	3205.51	3260.66	-1.70
Buenos Aires	Merval	608.44	602.02	-0.28
Santiago	IPSA General	5417.07	5399.15	+0.32
Caracas	Capital General	N.A.	4470.96	-

Source: Bloomberg, Reuters International Herald Tribune

Panel Backs Encryption Export

By Elizabeth Corcoran
Washington Post Service

WASHINGTON — Proponents of freer export of computer technology that safeguards data from eavesdropping have gotten a boost from a long-awaited study advocating that the government immediately loosen its restrictions.

Commissioned by Congress and prepared by a committee of the National Research Council, the report said the government should encourage, not hamper, the general use of "encryption" technology, which uses advanced computer techniques to scramble information and protect it from prying eyes.

"In this age of telecommunications and lightning-speed advances in computing, keeping confidential information private gets tougher all the time," said Kenneth Dam, chairman of the committee and a professor at the University of Chicago Law School. Making it easier to export the technology would have the beneficial effect of encouraging its use in the United States as well, the study said.

The White House, Justice Department and Pentagon contend that the control program makes it hard for hostile foreign governments and terrorists to use the technology to mask their communications and foil U.S. law enforcement and intelligence agencies.

The study concluded that the controls have the opposite effect on the well-being of U.S. citizens at home and abroad. The controls make it hard for U.S. businesses and citizens to use the technology themselves to protect their data and communications and defend against criminals and industrial spies, Mr. Dam said.

A Clinton administration official, speaking on condition of anonymity, said he doubted the government would loosen the controls in the ways recommended by the study. "You can only have one decision maker at a time on these issues," the official said. "Those on this side are not as dismissive of the security concerns. Maybe those who wrote the report would feel differently if they were in our shoes."

But others saw the report as an important development in a long debate. The report "could be the turning point," said Senator Patrick J. Leahy, Democrat of Vermont, sponsor of one of several bills in Congress that aim to liberalize encryption export controls. "This makes the legislation much easier to pass," Mr. Leahy said. "The question is whether the White House will try to stop it."

Administration officials have long said that if the critics had access to the classified information that the administration did, they would see the need for controls.

Of the 16 members of the National Research Council panel, which included people with industry, national security and technology backgrounds, 13 were given classified briefings by the government, outlining its concerns. Group members said Thursday that those briefings had not changed their minds.

The debate's outcome could have major impact on larger issues of privacy.

Interest Rate Fears Weigh on Wall Street

Compiled by Our Staff From Dispatches

NEW YORK — Treasury bonds pulled stocks down Friday amid concern that economic growth could prompt the Federal Reserve Board to raise interest rates to head off inflation.

"Stocks are following bonds, and it's a very nervous market," said William Mattison of Gerard Klauer Mattison. "Low volume and nervousness tend to combine for volatility. When in doubt people do nothing; when afraid, they sell."

The Dow Jones industrial average finished down 50.23 points, at 5,643.18. Declining issues outnumbered gainers by a 6-to-5 ratio on the New York Stock Exchange.

Stocks took their cue from bonds prices, which began their retreat after Lyle Gramley, a former Federal Reserve Board governor, said he expected the central bank to raise its federal funds rate by 0.5 percentage point July 3.

The decline accelerated after the government announced that personal incomes grew 0.5 percent in April while spending increased 0.1 percent. The report failed to assuage fears of resurging inflation and rate increases to cool the economy.

The Chicago Association of Purchasing Management said its index of manufacturing activity rose 1 point, to 53.0, in May, suggesting faster business expansion. A similar survey from New York also showed increased manufacturing.

The benchmark 30-year Treasury bond ended down 20/32 point, at 87 23/32, raising its yield to 6.99 percent from 6.93 percent Thursday.

"The most likely scenario is for Fed policy to be on hold,'" said Matthew Alexy of CS First Boston. "But we're only one event away from changing that."

Pharmacia & Upjohn closed down 1⅝, at 40⅞, after a federal agency sought an investigation of possible criminal activity in Upjohn's application almost 15 years ago for approval of the sleeping drug Halcion.

Bed Bath & Beyond fell ⅞, to 21⅛, in heavy trading after the

U.S. STOCKS

company said its chief executives sold 2 million shares recently.

Celestial Seasonings fell 1¼, to 21, after the herbal tea company said it might post a loss for its financial third quarter.

But the Nasdaq composite index gained 9.96 points, to 1,243.4, led by Intel. The most-active stock on U.S. exchanges, it rose 4, to 75½, powering other high-tech issues higher, after a brokerage recommendation of the stock.

Other semiconductor stocks gained in continued reaction to Intel's forecast Thursday that computer-chip demand would rebound this year. Micron Technology rose ½, to 32, and Motorola gained 1⅛, to 66¾.

Republic Industries rose 4 13/16, to 52, after the company said it was buying the landfill operator Addington Resources for $360 million.

But Itron plummeted 16¼, to 34, after the maker of automated meter-reading systems said second- and third-quarter earnings would be unchanged or lower than in the first quarter because of slow sales.

(Bloomberg, Reuters, AP)

Very briefly:

U.S. to Extradite Parretti to France

LOS ANGELES (Combined Dispatches) — A U.S. federal judge ordered the extradition to France of the Italian financier Giancarlo Parretti, who is accused of fraud over the 1990 purchase of Metro-Goldwyn-Mayer by Crédit Lyonnais SA.

Mr. Parretti will face charges in France of misuse of funds, fraud and other financial crimes, officials said.

He is also wanted by the Italian courts. *(AFX, Reuters)*

• **Apple Computer Inc.**'s chairman, Gilbert Amelio, reinstalled a worldwide sales group as part of ailing computer maker's reorganization. John Floisand was named to head Apple's worldwide sales efforts.

• **AlliedSignal Inc.** plans to relocate most of its Commercial Avionics Systems business operations to new headquarters in Lenexa, Kansas, moving more than 1,000 jobs from Florida and Washington.

• **Ascend Communications Inc.** said it would acquire NetStar Inc., a high-speed computer switch maker, for $300 million to expand its Internet products.

• **McDonald's Corp.** plans to spend $83 million in Venezuela over the next two years to open more than 50 restaurants.

• **Canadian Airlines International Ltd.** said it would hiring up to 700 employees in Vancouver as part of a plan to increase flights to Asia.

Names, names, names ...

• **Robert Hickey** has been named president and chief executive of Life Medical Sciences Inc. of Princeton, New Jersey.

• **Stephen Patrick** will succeed Robert Agate as chief financial officer of Colgate-Palmolive Co. in New York.

• **William R. Burleigh** has been named chief executive of E.W. Scripps Co. *(AP, Bloomberg)*

Pound Powers European Currency Rally

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell against European currencies Friday as the British pound continued to climb and U.S. stocks and bonds faltered.

The pound gained amid expectations a strengthening economy would prevent Britain from lowering interest rates and might prompt a rate rise later this year.

"At the heart of the dollar's drop is the strength of sterling, which is just out of control," said Tom Hoge,

FOREIGN EXCHANGE

corporate currency trader at Bank of New York.

The pound closed at $1.5513, up from $1.5345 Thursday. The dollar closed at 1.5225 Deutsche marks, down from 1.5360 DM, at 1.2487 Swiss francs, down from 1.2600 francs, and at 5.1525 French francs, down from 5.1895 francs. But the dollar was at 108.050 yen, up from 107.670 yen.

Traders attributed the dollar's strength against the yen to a top Japanese official's comments that interest rates in Japan must remain low. *(Bloomberg, AP)*

Tobacco Executive Quits

Compiled by Our Staff From Dispatches

NEW YORK — RJR Nabisco Holdings Corp. said Friday that James Johnston, chairman and chief executive of its worldwide tobacco unit, resigned effective June 30.

He will also resign his position as a vice chairman and director of RJR Nabisco, the company said.

"I've decided the time is right to take a break and spend some time with my family," said Mr. Johnston, 50.

Andrew Schindler, who joined the company last year to handle domestic cigarette marketing, and Pierre de Labouchere, who heads the international tobacco operations, will now report directly to the chief executive, Steven Goldstone.

The unexpected move comes after the recent resignation of H. John Greeniaus as chief executive of the company's foods division.

RJR owns 80.5 percent of the food maker Nabisco and is under pressure to spin its stake off to shareholders.

(Bloomberg, AFX, Reuters)

AMEX

Friday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AIM Str	115	9 11/16	9⅝	9⅝	—
AMC	997	33⅝	31⅞	33¼	+1⅝
ARC	2706	4⅜	3 15/16	3 15/16	+1/16
AckCom	313	23⅝	23	23⅝	+½
AcmeU	230	3⅝	3½	3½	+¼
AdvMed	275	2½	2⅜	2⅜	—1/16
AdvPhot	326	4⅝	4 9/16	4⅝	+⅛
AirWat	227	6½	6⅜	6⅜	—
AHazgen	142	11⅝	11¼	11⅝	+¼
Alfin	138	2¾	2½	2 9/16	—1/16
AlldRsh	151	5	4⅞	4⅞	—⅛
Alphain	451	9⅝	9½	9⅝	+⅛
AlpinGr	311	5⅝	5½	5 9/16	—1/16
Amdhl	7177	11¾	11½	11⅝	+⅛
AExpl s	283	13⅝	13	13½	+¼
AIM 86	127	13	12⅞	12⅞	—
AIM 88	132	13	13	13	—
Am List	188	25⅜	25	25¼	—⅛
AmerPos	353	9 1/16	8¾	9	+⅛
Ampal	147	5⅞	5 9/16	5½	+1/16
Ampex n	7906	14⅛	13⅝	13¾	+⅜
Andrea	154	14¼	13⅞	14⅛	—⅛
Anuhco	416	9⅝	8 15/16	9½	+9/16
Arrhyth	119	3¼	3	3¼	+⅛
Astrotc	216	7 3/16	6⅞	7	—3/16
Atari	6288	8⅞	8 5/16	8 9/16	—⅜
Audvox	154	6⅞	6 9/16	6 13/16	+1/16
AurorEl	122	3⅞	3¾	3 13/16	—1/16
Autotote	523	3 3/16	3	3 3/16	+1/16
Azco	543	11⅛	10⅞	11	—
BAT Ind	1460	16⅜	16 5/16	16⅜	+⅛
Baldw	877	3⅞	3 13/16	3⅞	—1/16
Balinty n	118	17	16¾	17	+⅛
BanyHl	662	1	⅞	⅞	+1/16
Barister	128	3¼	2⅞	3⅛	—⅛
BayMeo	183	16⅞	16¾	16¾	—¼
Bayou	348	3⅞	3⅝	3⅞	—
BemaGold	11840	4¼	4	4 3/16	+3/16
BentPh s	188	3 5/16	3 1/16	3 5/16	+⅛
BentPh wt	1170	1⅛	1	1⅛	+⅛
Biovail s	792	34⅜	32¾	34⅛	+1⅜
BlandT n	2705	16⅞	15⅛	16¼	+1½
Bostnfd n	754	12¼	12	12 3/16	+3/16
Bowne	192	20½	19⅞	20⅞	+⅛
Brscn g	149	19⅜	19⅛	19⅜	+¼
Buffton	151	1⅜	1⅜	1⅜	—
CE Frnk	124	2½	2 7/16	2½	+⅛
FreqEl	124	7⅝	7⅜	7⅜	+⅛
Fresenius	358	21	20⅛	20⅛	—⅞
Frischs	215	11⅝	11⅜	11⅜	+⅛
GA Fncl n	235	11	10⅞	10⅞	—
GST Tele	4127	14⅜	13⅞	14⅜	+⅝
Gainsco	143	10⅝	10½	10½	+⅛
GalxCbl	130	3 9/16	3 7/16	3 7/16	—⅛
GaylCn	1463	9	8⅞	8 15/16	+1/16
GnAuto	406	3 9/16	3⅜	3½	—
GnEmp	728	17	15½	16¼	+⅝
GiantFd	575	34½	34⅛	34⅜	—⅛
Globlink	199	8⅝	8¼	8⅝	+½
GoVideo	444	1¼	1⅛	1⅛	—
GldStarR	1518	17⅞	17	17½	—⅝
GldFld	272	⅞	13/16	13/16	—1/16
GldwSam	417	4 9/16	4⅜	4⅜	+⅛
Grang g	649	2 1/16	2	2	—
GreyLne	3016	4 11/16	4 9/16	4 9/16	—1/16
GrifGam	165	14¼	13⅞	14⅛	+⅛
GrSmec	266	6	5⅞	5⅞	—⅛
Gundle	155	6⅝	6 9/16	6⅝	—
Halsey	187	6⅛	5 15/16	6⅛	+1/16
HangOr	207	4 15/16	4⅞	4 15/16	+1/16
HanvDir	715	1⅞	1⅞	1⅞	—
Harken	5824	2 15/16	2¾	2⅞	—⅛
Hasbro	1280	38⅛	37⅝	37⅞	—⅛
HawAir n	2593	6¼	5 15/16	6	+⅜
Hearx n	1779	5⅞	5¼	5 11/16	+7/16
Helco s	143	19⅞	19¼	19⅞	+⅝
Hemlo g	5572	13	12⅝	12⅞	+⅜
HrtgMd	196	39⅞	39½	39⅝	+⅜
HovnEn	582	7 1/16	6⅞	7	—⅜
ICH	204	8⅝	8 9/16	8⅝	+⅛
Identix	581	16	15½	15⅝	—⅜
ImoCM n	334	16⅞	15⅞	16⅞	+1
ImpHly	288	12⅝	12	12⅛	—⅛
ImpOil g	1129	43⅜	43⅛	43½	—⅛
Intlbicm	3493	26⅜	25⅛	26⅛	+⅝
InCtPd	904	2⅞	2⅝	2⅝	—1/16
InterDig	8194	9⅝	9 5/16	9 5/16	—1/16
eclnfrine	164	4⅜	4 5/16	4 5/16	—1/16
Intrmagn	676	16⅛	15⅝	16	+⅜
IRIS	650	10⅜	9⅞	10⅛	+½
IntsGC	165	3⅛	3⅛	3⅛	+⅛
Intrystm	372	1 9/16	1⅜	1 9/16	+1/16
IonLaser	359	23⅝	22⅞	23¼	+⅛
IvaxCp	3854	27⅞	27⅜	27¾	+⅛
JanBell	473	2⅞	2⅝	2 11/16	—1/16
Joule	115	7⅛	6⅞	7⅛	+⅜
KFX Inc	163	7 11/16	7⅜	7 11/16	—1/16
KV Ph B	122	13⅞	13⅜	13⅞	—⅛
KV Ph A	301	13⅞	13⅝	13⅞	—⅜
KatzM	129	14⅛	14	14	—⅛
Keane	127	39⅝	39⅜	39⅝	+⅛
RegalBel	181	20⅝	20⅜	20⅝	+⅛
Riviera n	389	14	13⅞	14	+⅛
Rogers s	118	24⅜	23⅝	24⅜	—⅛
RoyalO g	5267	4 9/16	4⅜	4½	+3/16
Rymac	208	1 11/16	1⅝	1 11/16	+1/16
SaboPet	200	14	13⅞	13⅞	—⅛
ecSchwEx	383	6½	5⅛	6½	+1 5/16
Servico	262	14⅝	14⅛	14⅛	—½
ShefldMd	827	5⅝	5¼	5 9/16	+5/16
SoniTech	179	8½	8⅜	8½	+⅛
SmtBln	190	10½	10¼	10⅜	+⅛
Softnet	453	8⅜	6 13/16	7 13/16	+1⅛
ecSoligen	233	1 11/16	1 11/16	1 11/16	—
SpcChm	149	3⅞	3⅞	3⅞	—
SPDR	9061	67 1/16	66⅝	66 25/32	—15/32
SP Mid	305	48 1/16	47 15/16	47 15/16	—1/16
Stephan	182	15⅛	15	15⅛	+⅛
StrsCmp	566	19⅜	17⅞	18⅞	+½
Struther	4596	4	3 13/16	4	+3/16
Sulcus	758	3⅝	3⅜	3½	—1/16
Sunair	245	3 15/16	3½	3 15/16	+5/16
SuretyC	207	4⅝	4¼	4⅝	—
SwingSt n	443	3 11/16	3⅝	3⅝	—
Techntrl	204	36⅝	35⅞	36	+⅛
TelDta	714	43¾	43½	43⅝	—⅛
TexBiotch	785	5⅝	5 7/16	5 9/16	—1/16
TexMer	305	10⅞	10½	10⅞	+¼
Thermed	226	30⅛	29⅞	30	+⅛
ThCar s	1215	51⅛	50	51	—½
ThmFib s	128	30	29⅝	29¾	—⅛
Thrlast	349	39⅝	38⅞	39	—⅜
ThrmPw	146	14⅛	13⅞	14	—⅛
ThrmRg	319	14⅛	13½	14⅛	+1
ThrSent n	158	15⅝	15⅜	15⅜	—⅛
ThrSpec n	127	18⅛	17⅞	18⅛	—⅛
ThrmTer	167	12½	12⅜	12½	—⅛
ThrVolt	156	22¼	21⅞	22	+⅛
Thrmolse	638	31⅛	29¾	29⅞	—1¼
Thrmotx	302	54⅛	52½	53	—1
Tippery	223	5⅝	5½	5 9/16	—1/16
TofSrce	2276	7 11/16	6⅞	7⅛	—⅜
TotlPet	1055	11⅛	10⅞	11⅛	+⅛
TownCty	1074	1⅜	1 5/16	1⅜	—⅛
TWA n	3313	20⅝	20	20	—⅝
TubMex	5795	9⅛	9	9	—1/16
TurnB A	193	27	26⅞	26⅞	—⅛
TurnB B	2354	27⅛	27	27¼	—
US Alc	1849	3⅛	2 15/16	3	—
Unapix	132	4	3⅞	3⅞	—
Unimar	272	4⅝	4⅜	4⅛	+1/16
USBiosci s	2014	17⅛	16⅞	17	—⅛
US Cell	235	31⅞	31⅛	31½	—⅜
Urohlth s	217	14⅝	14⅛	14¼	—⅛
VKAdM2	123	11	10⅞	11	—
VKSelS	127	10⅝	10¼	10⅜	—⅛
Viacom	882	41½	40⅝	41⅛	+⅛
ViacB	5547	42⅜	42	42⅜	—
Viac wtC	441	1 1/16	1 1/16	1	—⅛
Viac wtE	830	3 9/16	3 5/16	3 7/16	—⅛
Vitronic	1059	2⅛	1 15/16	2	—
WRIT	336	16½	16	16½	+⅜
WhtmnE s	212	11⅝	11¼	11⅝	+½
WinstRs	224	4	4	4	—
WirelsT s	1334	15	14½	14⅞	+⅜
ecWizTch	325	8¼	7 15/16	8 1/16	—
WEBAstr n	251	11½	11⅛	11½	+⅜
WEB HK n	132	13 15/16	13 13/16	13⅞	—
WEB Mal n	155	14 5/16	14⅛	14⅛	—
WEB Sing n	118	12⅜	12 5/16	12 5/16	+1/16
WEB Swz n	271	11 15/16	11 13/16	11 15/16	+3/16
XCL Ltd	5404	⅝	⅝	⅝	+1/16
Xytron	238	3 5/16	3 1/16	3 5/16	—
CIM	138	7⅝	7½	7½	—⅛
CSTEnt	496	½	7/16	7/16	—
Cablvsn	258	48¼	47⅞	47⅞	—
Cabletel	319	5⅝	5½	5⅝	—⅛
Calton	449	½	½	½	—
Cambior	248	16	15⅝	16	+⅜
Cambrx	448	48¼	48	48	+¼
CdnOc g	128	35¼	35	35⅛	—
CasPCHl	273	3⅞	3⅝	3⅞	+3/16
CentnT s	819	25⅜	24⅝	25⅜	+⅛
CentrPr	699	23⅞	23⅛	23⅜	—⅛
CFCda g	244	5⅜	5	5⅜	+⅛
ChadThr s	140	18	17⅞	17⅞	+⅜
ChmpH	329	11½	10⅞	11⅛	+⅜
ChySoft	6610	21⅞	20⅝	21⅜	+1⅛
CitFFin n	171	10¼	10¼	10⅜	—
ColLb	796	13⅞	13⅜	13⅜	—⅛
Comforce	976	25¼	24	25⅛	+⅜
CropMan n	704	12	11½	12	+¼
Comptek	130	6⅞	6 9/16	6⅞	+⅛
Copley	140	15⅝	15⅜	15⅜	—⅛
CornNG	114	5 9/16	5 7/16	5 9/16	—
CCBncsh	150	16½	16¼	16½	+⅛
ecCredC	220	2⅜	1⅞	2⅛	+⅛
Crodr wt	169	1⅛	1⅛	1⅛	+1/16
CrdrRT n	247	11⅝	11⅜	11⅝	—
Cross	346	16⅛	15½	16	+½
CrnCP B	143	16⅜	16	16⅛	—⅛
ecCrwnL	378	1 15/16	1 13/16	1⅞	—
Cycomm s	1449	7 5/16	6 15/16	7 1/16	+⅛
DI Ind	1510	1⅞	1¾	1 13/16	+1/16
DakotaM	648	2 9/16	2⅜	2⅜	—
Datamet	326	7⅛	6 15/16	7	—1/16
Datarm	242	6⅜	5⅞	6¼	—
Daxor	243	12½	11⅞	12	+½
DayRwn n	2576	7 9/16	7⅜	7 9/16	+⅛
Decorat	161	11¼	10⅞	11¼	+⅜
DelGlob	219	13	12⅝	13	—
DenAmer	346	5⅝	5 7/16	5⅝	+⅛
DevnE	321	25⅝	25⅜	25⅝	+½
DiagRtr	965	11⅛	10⅛	10⅞	+⅜
Digicon	728	16⅞	14⅞	16⅞	+¼
DigRCT	511	3⅞	3½	3½	—1/16
Diodes	137	9⅝	9⅛	9⅝	+⅛
DryfMu	117	9 1/16	8 15/16	9 1/16	—
Ducom	151	14⅜	14½	14⅜	+⅛
EZ Serv	365	1⅜	1¼	1¼	—1/16
EchoBay	9049	13⅞	13	13⅞	+⅛
Edisto wt	147	⅞	⅝	⅞	—
Edisto	537	10 1/16	9⅞	9⅞	—
Edtek	1772	1⅞	1⅝	1 13/16	+1/16
ElPasoE n	1247	5½	5 5/16	5⅜	—1/16
EmerR	334	2⅝	2⅜	2⅜	—⅛
EnvrTc	182	5⅝	4⅞	5 3/16	+3/16
Ezcorp	468	17⅞	17	17⅞	+¾
Epitope	1204	21	19⅞	20⅞	+1
Equuss	210	14⅝	14½	14⅝	—½
EverJen	130	½	½	½	+1/16
FemHlth	143	6⅜	6	6⅜	—1/16
Fibrbd	147	25¼	24⅞	25	+⅛
FtAust	219	9⅞	9 11/16	9⅞	—1/16
FAusPr	21181	8⅞	8 13/16	8 13/16	—
ForstLb	2888	42¼	41¼	41¼	—⅛
FortPet	1947	3⅛	3 1/16	3⅛	+1/16
KY Fst n	174	13⅝	13½	13½	—⅛
KeyEng	165	8	7⅞	8	+⅛
Kirby	775	17¾	17⅛	17⅝	+⅜
KnogoNA	244	9⅝	9½	9⅝	+3/16
KogrEq	180	12⅝	12½	12⅝	—
LXRBiot	2224	4⅝	4⅜	4½	+1/16
LaBarg	800	9⅞	8 15/16	9 9/16	—
Laser	3016	18⅞	16	18⅞	+2⅞
LarTech	184	7 1/16	6⅞	7	—
LehSTC wt	175	6⅛	5⅞	6⅛	+⅛
MAI Sy n	515	9¼	8⅞	9⅛	—⅛
MacNSc	660	11½	11	11⅛	—⅛
Magellan	3871	24¼	23⅞	24	+⅛
MagnPet	158	4½	4 5/16	4 5/16	—
Marlton	117	2⅞	2⅝	2⅞	—
Medeva	253	15⅛	14⅞	14⅞	—½
Media	286	38¼	37⅜	37⅞	—
MediaLog	881	8 5/16	7⅞	8	+⅛
Medicore	382	5⅞	5⅜	5 11/16	+⅛
Mediq	1091	6⅞	6 9/16	6⅝	+⅛
Metromda	1130	14¼	13⅞	13⅞	+⅛
Microtel	182	1½	1⅜	1½	+⅛
MinnTr2	119	10	9⅞	10	+⅛
MoogA	317	20½	20⅛	20½	+¼
MorgnGo	469	9	8⅞	8⅞	—1/16
MS CSCO	147	46⅝	46⅛	46⅝	+¼
MS TBR n	145	57⅝	57⅛	57⅝	+⅜
MSHK wt96	630	4⅝	4⅛	4⅜	+⅜
MSHK wt97	1530	5⅜	5	5⅜	+½
MSNik 97wt	128	10⅝	10	10	—⅛
Munvst	877	8 13/16	8 11/16	8⅞	—1/16
Mversind	285	20⅝	20¼	20⅝	+¼
NTNCom	2249	6⅜	5⅞	6⅛	—⅛
Nabors	3990	15⅝	15⅜	15⅝	—⅛
NatlBev	427	13⅞	13	13½	+¼
NatAlt	188	10⅝	10	10¼	—
NY Tim	4607	33⅜	32½	32⅞	—⅜
NA Vacc	1280	23	21⅝	22⅞	+1⅝
Novavx n	1060	8 1/16	7⅞	7⅞	+¼
NCAPI	140	11⅝	11⅛	11⅛	—⅛
OmniMult	275	9	8⅝	8⅝	—
Oncor	1094	6 7/16	4⅞	6⅜	+⅝
Oncormd	619	7 15/16	7½	7⅝	+½
Orgnon s	3692	23½	21⅛	22⅜	—⅛
PC Quote	376	10⅝	10¼	10⅝	—⅛
PLC Sys	1749	26⅜	25	25⅝	—⅜
PLM	394	3⅝	3½	3½	—1/16
PacGulf	775	16⅞	16⅛	16⅞	—
ParaC	607	12⅝	12	12¼	—⅛
PegGld	5773	15⅛	14⅞	15	+¼
PhxNet	594	5⅝	5⅜	5 9/16	+1/16
PinRsc	317	11⅞	11⅜	11⅞	—
Polymed	1892	9⅛	7 15/16	9⅛	+1⅛
Polyph	144	4	3⅞	3 15/16	—1/16
Polyvisn	196	11 1/16	11 1/16	11 1/16	—
PortSys	161	7/16	⅜	⅜	—1/16
PrpdLg	665	21⅛	20⅜	20⅞	—
Pricell s	167	14	13⅝	13⅞	—
PropCT	151	10⅜	10⅛	10⅜	—⅛
PsycCp	557	7⅞	7⅜	7⅝	+¼
ecPyrocp	263	2 9/16	2 7/16	2 9/16	—1/16
RF Pow	468	7⅜	7⅛	7 5/16	—1/16
Refac	339	8⅝	8⅜	8⅝	+¼

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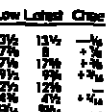


PANGKOR LAUT RESORT
Our Island. Our Resort.

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	330pm	Chg.
Indus	5693.41	5698.58	5636.90	5654.26	—39.15
Trans	2235.13	2237.70	2212.01	2229.14	—7.70
Util	211.22	211.85	209.26	209.75	—2.10
Comp	1854.99	1856.41	1837.62	1844.54	—11.51

Standard & Poors

	High	Low	Close	Chg.
Industrials	803.24	795.66	798.29	—2.56
Transp.	524.47	517.75	523.34	—0.86
Utilities	192.66	190.33	190.92	—1.57
Finance	67.22	66.48	66.73	—0.34
SP 500	673.46	667.00	669.12	—2.58
SP 100	651.06	644.25	646.02	—3.07

NYSE

	High	Low	Last	Chg.
Composite	360.85	357.96	358.83	—1.41
Industrials	461.48	457.75	458.93	—1.80
Transp.	334.54	331.35	333.98	—0.04
Utility	250.72	248.45	248.75	—1.41
Finance	295.31	292.99	293.80	—0.94

Nasdaq

	High	Low	Last	Chg.
Composite	1242.95	1236.05	1241.86	+8.38
Industrials	1182.85	1175.88	1182.18	+6.32
Banks	1067.45	1063.07	1065.40	—2.09
Insurance	1313.54	1306.72	1313.54	+6.72
Finance	1303.66	1301.79	1303.08	+1.00
Transp.	909.69	902.14	906.13	—4.03

AMEX

High	Low	Last	Chg.
611.76	608.35	610.99	+1.58

Dow Jones Bond

	Close	Chg.
20 Bonds	101.60	+0.01
10 Utilities	98.37	— 0.16
10 Industrials	104.83	+0.18

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
MicrnT	66227	33⅝	32	32	—½
PepsiCo s	36748	34	33	33¼	—⅛
ChkPt s	35763	39	36	38⅞	+4⅞
WalMart	33671	26	25⅝	25⅞	+⅛
CocaCl s	32634	46⅝	45⅞	46	—¾
LSI Log	32197	31¾	31	31½	+⅜
K mart	30566	12	11⅝	11⅝	—½
BayNtwk s	30810	29½	28¼	29	—¼
Motorola	29913	67½	65⅝	66⅞	+1⅛
AT&T	26535	63⅛	62½	62⅝	—½
RJR plC	26021	6⅝	6⅝	6⅝	+¼
PhilMr	23382	101¼	99⅞	99⅞	—1⅜
Texinst s	22915	56⅞	55⅝	56¼	+½
TelBrasil n	22712	64⅝	63⅞	64⅞	+½
IBM	22416	108¼	106⅞	106⅞	—½

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel s	181017	75⅝	73	75½	+4
Iomega s	78700	47⅝	44⅞	44⅞	—1½
NextelCm	57871	20¾	20⅛	20⅝	+⅜
SunrAsst n	50597	25	23	25	—
Informix s	49193	24⅝	22⅝	22⅝	—⅝
Oracle s	48894	33⅞	32¾	33⅛	—½
EricTel s	43985	23¼	22¼	23 1/16	+9/16
Cisco s	42755	55¼	54⅝	54⅝	+⅜
Cytogn	42220	9 9/16	8¼	9	+1½
Intel wt s	42110	38⅝	35¾	38¼	+3⅝
SonMic s	40982	63⅜	60⅞	62¾	+2⅛
AirNetS n	40420	15½	14⅝	15¼	—
Atmel s	39436	36¼	34⅞	35½	+1½
EclpSurg n	39277	19	15 15/16	16½	—
GenNutr s	38060	15¼	15	15½	+⅛

AMEX

	Vol.	High	Low	Last	Chg.
FAusPr	21181	8 15/16	8 13/16	8 13/16	—
BemaGold	11840	4¼	4	4 3/16	+3/16
SPDR	9061	67 1/16	66⅝	66 25/32	—15/32
EchoBay	9049	13⅞	13	13⅞	+⅛
InterDig	8194	9⅝	9 5/16	9 5/16	—1/16
Ampex n	7906	14⅛	13⅝	13¾	+⅜
ChySoft	6610	21⅞	20⅝	21⅜	+1⅛
NY Tim	4607	33⅜	32½	32⅞	—⅜
Atari	6288	8⅞	8 5/16	8 9/16	—⅜
Harken	5824	2 15/16	2¾	2⅞	—

Trading Activity

NYSE

	Close	Prev.
Advanced	1083	1358
Declined	1282	993
Unchanged	792	822
Total issues	3157	3173
New Highs	84	62
New Lows	17	22

Nasdaq

	Noon	Prev. Close
Advanced	1731	2108
Declined	1643	1749
Unchanged	2144	1658
Total issues	5518	5515
New Highs	141	171
New Lows	26	31

AMEX

	Close	Prev.
Advanced	332	290
Declined	222	266
Unchanged	208	207
Total issues	762	763
New Highs	39	24
New Lows	2	5

Market Sales

	Today Close	Prev. cons.
NYSE	350.64	456.55
Amex	26.45	28.07
Nasdaq	546.30	605.03

in millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Cable & Wireless	b	x .3915	6-11	9-13
Sandy spring	-	.19	6-10	6-17
STOCK SPLIT				
Arrow Magnolia: 2 for 1 split.				
Intertape Polymer: 2 for 1 split.				
TheraTech Inc: 3 for 2 split.				
United Waste: 2 for 1 split.				
INCREASED				
Chester Valley	Q	.10	6-5	6-19
Whitney Holding	Q	.25	6-14	7-1
LIQUIDATING				
Vanguard RE Fd 1		x .1202	5-31	
YEAREND				
Espir Santo Fin	A	.55	6-7	6-14
INITIAL				
Guaranty Fin n	-	.05	6-12	6-26
REDUCED				
Gendis Inc	g	.06	6-14	7-1
REGULAR				
ALPHARMA Inc	Q	.045	7-12	7-26
Allied Prod	Q	.05	6-7	6-28
BCE Inc	g	.68	6-14	7-15
BEA Income Fd	M	.06	6-7	6-17
BEA Strategic	M	.0675	6-7	6-17
Castle Conv Fd	Q	.37	6-28	7-15
Cato Corp A	Q	.04	6-3	6-17
Equity Residentl	Q	.59	6-28	7-12
Fst Charter	Q	.15	6-21	7-15
Fst Indust Rlty	Q	.4875	6-28	7-22
Hollinger Inc	g	.15	8-26	9-10
Mayflower Co-op	Q	.10	6-7	6-14
Pamrapo Bncp	Q	.225	6-7	6-21
Royal Bk Scot A	b	.703	6-13	6-28
Royal Bk Scot B	b	.70	6-13	6-28
Royal Bk Scot C	b	.593	6-13	6-28
Royal Bk Scot D	b	.5703	6-13	6-28
Schawk Inc A	Q	.045	6-14	6-28
State Auto	Q	.055	6-10	6-28
Toronto Domin Bk	g	.25	6-20	7-31
USF&G Pacehldr	Q	.425	6-28	7-9
Valley Ntl Bncp	Q	.25	6-7	7-1
VanKam Corp	M	.04	5-31	6-14

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

June 1, 1996

Grains

CORN (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
Jul 96	4.79	4.67	4.77¼	+0.04½	129,986
Sep 96	4.00½	3.91	4.00	+0.07½	67,807
Dec 96	3.55	3.46¼	3.53¼	+0.06¼	157,419
Mar 97	3.60	3.53	3.59½	+0.06	19,419
May 97	3.63	3.56¼	3.62	+0.05¼	3,546

Est. sales N.A. Thu's. sales 109,979
Thu's open int 386,830 off 5231

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Close	Chge	Opint
Jul 96	241.00	239.00	240.70	+1.80	39,911
Aug 96	241.00	239.00	240.50	+1.40	11,775
Sep 96	239.30	237.00	238.00	+0.20	7,556
Oct 96	236.50	233.30	235.50	+0.50	3,684
Dec 96	236.20	232.90	234.90	+0.20	20,362
Jan 97	236.50	233.90	235.00	—0.50	1,817

Est. sales N.A. Thu's. sales 19,831
Thu's open int 87,307 off 1757

SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.

	High	Low	Close	Chge	Opint
Jul 96	26.98	26.39	26.43	—0.37	41,404
Aug 96	27.09	26.57	26.59	—0.41	12,484
Sep 96	27.23	26.75	26.77	—0.38	6,379
Oct 96	27.35	26.88	26.89	—0.38	4,958
Dec 96	27.64	27.12	27.17	—0.38	20,793
Jan 97	27.50	27.21	27.21	—0.39	1,694

Est. sales N.A. Thu's. sales 11,511
Thu's open int 90,178 off 340

SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
Jul 96	7.90½	7.83	7.88	—0.01½	62,094
Aug 96	7.88	7.78½	7.83¼		14,454
Sep 96	7.69½	7.59	7.64¾	—0.02	6,625
Nov 96	7.59	7.46	7.51½	—0.04½	85,928
Jan 97	7.64½	7.54	7.59¾	—0.03¼	7,270

Est. sales N.A. Thu's. sales 54,271
Thu's open int 187,400 off 1500

WHEAT (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
Jul 96	5.30	5.20	5.28¾	+0.02½	45,238
Sep 96	5.34	5.23	5.31¾	+0.03¼	17,900
Dec 96	5.39	5.30	5.38½	+0.03¾	19,952
Mar 97	5.38	5.30	5.37	+0.03½	2,315

Est. sales N.A. Thu's. sales 33,429
Thu's open int 87,197 off 2792

Livestock

CATTLE (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jun 96	61.77	60.10	61.67	+1.17	24,140
Aug 96	64.57	63.35	64.52	+0.77	31,434
Oct 96	65.70	64.75	65.62	—0.60	22,076
Dec 96	63.40	62.67	63.37	+0.55	11,295
Feb 97	62.80	62.10	62.77	+0.52	9,821
Apr 97	65.90	65.45	65.85	+0.30	2,791

Est. sales 18,020 Thu's. sales 17,495
Thu's open int 103,223 up 1381

FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb

	High	Low	Close	Chge	Opint
Aug 96	58.50	57.30	58.25	+0.38	8,323
Sep 96	58.20	57.15	58.10	+0.30	2,645
Oct 96	58.70	57.80	58.55	+0.15	4,220
Nov 96	60.25	59.40	60.25	+0.40	2,350
Jan 97	61.45	60.95	61.15	+0.15	918
Mar 97	61.15	60.75	60.95	+0.13	466

Est. sales 3,290 Thu's. sales 3,354
Thu's open int 19,397 off 139

HOGS-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jun 96	62.30	61.22	61.87	+0.05	8,946
Jul 96	58.70	57.50	58.22	+0.50	9,443
Aug 96	54.55	53.50	54.05	+0.28	6,580
Oct 96	49.75	48.62	49.20	+0.35	5,847
Dec 96	51.80	50.85	51.70	+0.50	5,604
Feb 97	72.20	71.20	71.95	+0.60	1,251

Est. sales 10,371 Thu's. sales 11,786
Thu's open int 38,675 off 1044

PORK BELLIES (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	81.05	78.80	79.60	—1.20	5,702
Aug 96	79.20	74.75	77.65	—0.72	2,528
Feb 97	73.45	71.55	73.22	+1.77	685
Mar 97	74.05	72.00	73.90	+1.85	37
May 97	74.65	72.75	74.45	+1.95	46

Est. sales 3,420 Thu's. sales 1,212
Thu's open int 9,017 off 155

Food

COCOA (NCSE) 10 metric tons- $ per ton

	High	Low	Close	Chge	Opint
Jul 96	1383	1341	1376	+35	24,489
Sep 96	1398	1361	1393	+35	20,253
Dec 96	1420	1384	1414	+34	17,898
Mar 97	1438	1407	1434	+34	13,514
May 97	1429	1429	1449	+30	6,113

Est. sales 12,831 Thu's. sales 15,094
Thu's open int 92,463 off 696

COFFEE C (NCSE) 37,500 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	117.25	115.70	116.10	—0.25	13,843
Sep 96	116.40	115.10	115.35	+0.15	7,278
Dec 96	114.50	113.25	113.45	—0.20	3,347
Mar 97	113.25	112.40	113.00	—0.55	999

Est. sales 5,410 Thu's. sales 7,866
Thu's open int 25,871 off 19

SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb

	High	Low	Close	Chge	Opint
Jul 96	11.32	10.96	11.21	—0.19	56,734
Oct 96	10.66	10.46	10.64	—0.13	39,286
Mar 97	10.61	10.47	10.61	—0.11	29,556
May 97	10.56	10.43	10.56	—0.11	9,769

Est. sales 19,099 Thu's. sales 12,959
Thu's open int 146,768 off 733

ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 96	124.40	120.10	124.00	+3.50	11,404
Sep 96	122.40	118.75	121.90	+2.50	5,024
Nov 96	118.98	116.00	118.30	+2.15	1,507
Jan 97	116.75	114.50	116.75	+2.30	3,842

Est. sales N.A. Thu's. sales 1,566
Thu's open int 22,286 up 106

Metals

GOLD (NCMX) 100 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	Opint
Jun 96	392.00	389.50	390.90	+0.40	10,448
Jul 96			392.60	+0.40	3
Aug 96	395.50	393.10	394.40	+0.40	83,906
Oct 96	398.50	396.40	397.50	+0.50	6,370
Dec 96	401.60	399.20	400.50	+0.50	36,885
Feb 97	402.60	402.60	403.40	+0.60	6,262
Apr 97			406.10	+0.70	6,478
Jun 97	409.00	409.00	408.90	+0.80	8,248

Est. sales 42,000 Thu's. sales 64,595
Thu's open int 193,182 off 8058

HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jun 96	118.50	116.30	118.40	+0.85	3,650
Jul 96	115.50	113.80	115.00	—0.50	14,938
Aug 96	113.00	113.00	113.10	—0.50	891
Sep 96	111.30	110.40	111.15	—0.55	6,565
Oct 96	109.80	109.80	110.25	—0.35	675
Nov 96	108.70	108.70	109.25	—0.35	597
Dec 96	108.55	107.80	108.55	—0.05	7,994
Jan 97	107.65	107.10	107.75	—0.15	527
Feb 97			107.05	—0.15	262

Est. sales 7,500 Thu's. sales 6,367
Thu's open int 39,917 off 228

SILVER (NCMX) 5,000 troy oz.- cents per troy oz.

	High	Low	Close	Chge	Opint
Jul 96	542.0	531.0	540.3	+6.0	63,071
Aug 96			543.0		
Sep 96	547.5	537.0	545.9	+6.1	16,831
Dec 96	556.0	545.0	554.1	+6.3	10,114
Jan 97			557.6	+6.4	6
Mar 97	562.5	560.0	562.2	+6.4	4,046
May 97			567.5	+6.7	3,073
Jul 97			573.1	+7.0	2,760

Est. sales 25,000 Thu's. sales 13,192
Thu's open int 102,048 off 138

PLATINUM (NMER) 50 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	Opint
Jul 96	403.90	401.50	403.40	+0.90	20,010
Oct 96	407.00	405.50	406.50	+0.70	5,094
Jan 97	408.50	408.50	409.50	+0.70	1,027
Apr 97			412.50	+0.70	1,557
Jul 97			415.80	+0.70	

Est. sales N.A. Thu's. sales 1,188
Thu's open int 27,698 off 174

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1564.00	1565.00	1572½	1573½
Forward	1595.00	1596.00	1603.00	1604.00
Copper Cathodes (High Grade)				
Spot	2546.00	2549.00	2566.00	2570.00
Forward	2446.00	2447.00	2464.00	2465.00
Lead				
Spot	823.00	824.00	829½	830½
Forward	827.00	828.00	833.00	834.00
Nickel				
Spot	7885.00	7895.00	7980.00	7990.00
Forward	7995.00	8000.00	8095.00	8100.00
Tin				
Spot	6220.00	6230.00	6295.00	6305.00
Forward	6250.00	6260.00	6320.00	6330.00
Zinc (Special High Grade)				
Spot	1018.00	1019.00	1020.00	1021.00
Forward	1044.00	1045.00	1046.00	1047.00

Financial

US T. BILLS (CMER) $1 million- pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	94.96	94.93	94.94	—0.02	7,644
Sep 96	94.73	94.65	94.67	—0.05	6,012
Dec 96	94.46	94.37	94.38	—0.08	1,225

Est. sales 2,289 Thu's. sales 1,612
Thu's open int 14,881 up 357

5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	105-155	104-31	105-025	— 13	84,875
Sep 96	105-06	104-205	104-245	— 135	83,524
Dec 96	104-17	104-06	104-09	— 14	3,014

Est. sales 141,000 Thu's. sales 133,520
Thu's open int 171,413 up 3054

10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	106-31	106-11	106-16	— 16	158,902
Sep 96	106-19	105-27	106-02	— 18	138,269
Dec 96	105-23	105-10	105-13	— 18	4,312

Est. sales 180,000 Thu's. sales 202,645
Thu's open int 301,703 off 5611

US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)

	High	Low	Close	Chge	Opint
Jun 96	109-01	107-26	108-02	— 31	193,133
Sep 96	108-16	107-09	107-17	— 31	208,060
Dec 96	107-29	106-24	107-00	— 31	7,578
Mar 97	107-12	106-15	106-18	— 31	1,073

Est. sales 510,000 Thu's. sales 579,268
Thu's open int 409,906 off 3565

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Jun96	105-20	105-14	105-20	+ 0-06	59,755
Sep96	104-28	104-14	104-19	+ 0-07	88,451
Dec96	N.T.	N.T.	103-19	+ 0-07	0

Est. sales: 64,031. Prev. sales: 121,445
Prev open int.: 146,806 off 6,702

GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun96	96.42	96.20	96.28	— 0.15	108,376
Sep96	95.70	95.25	95.35	— 0.18	92,839
Dec96	94.75	94.75	94.50	— 0.18	210

Est. sales: 205,407. Prev. sales: 233,251
Prev. open int.: 201,425 up 2,895

10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	123.54	123.30	123.32	— 0.04	146,887
Sep 96	122.00	121.80	121.82	+0.12	26,160
Dec 97	120.80	120.56	120.60	+0.10	9,506
Mar 97	0.00	0.00	120.50	+0.10	324

Est. volume: 142,262. Open int.: 182,877 off 4,321.

ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun96	116.19	115.10	115.12	— 0.71	42,815
Sep96	115.60	114.51	114.54	— 0.70	21,272
Dec96	N.T.	N.T.	113.96	— 0.69	0

Est. sales: 83,455. Prev. sales: 74,392
Prev. open int.: 64,087 off 1,203

EURODOLLARS (CMER) $1 million-pts of 100 pct.

	High	Low	Close	Chge	Opint
Jun 96	94.490	94.450	94.460	—30	360,867
Jul 96	94.410	94.370	94.370	—30	7,885
Aug 96	94.310	94.250	94.280	—30	3,140
Sep 96	94.250	94.160	94.190	—50	371,183
Dec 96	93.900	93.790	93.810	—80	393,553
Mar 97	93.730	93.590	93.620	—100	260,428
Jun 97	93.560	93.390	93.450	—90	230,957
Mar 00	92.750	92.660	92.690	—80	30,066

Est. sales 612,853 Thu's. sales 662,735
Thu's open int 2,449,883 up 51460

BRITISH POUND (CMER) 62,500 pounds, $ per pound

	High	Low	Close	Chge	Opint
Jun 96	1.5530	1.5304	1.5502	-164	59,414
Sep 96	1.5508	1.5370	1.5482	+164	2,947
Dec 96	1.5500	1.5380	1.5472	+170	61
Mar 97			1.5462	+170	4

Est. sales 35,428 Thu's. sales 26,530
Thu's open int 62,426 up 839

CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Can. dlr

	High	Low	Close	Chge	Opint
Jun 96	.7309	.7289	.7307	+3	39,940
Sep 96	.7321	.7302	.7319	+3	5,431
Dec 96	.7320	.7315	.7328	—3	2,685
Mar 97			.7335	—3	452

Est. sales 5,604 Thu's. sales 11,891
Thu's open int 48,865 off 3712

GERMAN MARK (CMER) 125,000 marks, $ per mark

	High	Low	Close	Chge	Opint
Jun 96	.6581	.6512	.6568	+48	79,916
Sep 96	.6615	.6550	.6603	+48	6,303
Dec 96	.6647	.6613	.6643	+48	1,436
Mar 97			.6685	+48	22

Est. sales 25,568 Thu's. sales 35,533
Thu's open int 87,677 up 1533

JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen

	High	Low	Close	Chge	Opint
Jun 96	.009310	.009225	.009266	—37	77,136
Sep 96	.009420	.009351	.009384	—37	7,231
Dec 96	.009528	.009485	.009506	—35	3,112

Est. sales 31,830 Thu's. sales 37,592
Thu's open int 87,580 up 925

SWISS FRANC (CMER) 125,000 francs, $ per franc

	High	Low	Close	Chge	Opint
Jun 96	.8030	.7930	.8012	+66	41,991
Sep 96	.8090	.7997	.8070	+67	4,214
Dec 96	.8150	.8125	.8134	+70	856

Est. sales N.A. Thu's. sales 70,092
Thu's open int 47,089 off 185

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun96	93.91	93.90	93.90	Unch.	65,253
Sep96	93.82	93.77	93.77	— 0.03	65,845
Dec96	93.61	93.53	93.56	— 0.02	71,154
Mar97	93.29	93.22	93.22	— 0.03	49,096
Jun97	92.91	92.83	92.84	— 0.03	37,955
Sep97	92.57	92.51	92.50	— 0.03	28,464
Dec97	92.29	92.25	92.20	— 0.05	20,227
Mar98	92.08	91.98	91.99	— 0.03	13,653
Jun98	91.92	91.85	91.86	— 0.02	9,549
Sep98	91.82	91.75	91.76	— 0.03	7,605
Dec98	91.71	91.66	91.66	— 0.02	8,196
Mar99	91.61	91.55	91.58	+ 0.02	1,998

Est. sales: 31,712. Prev. sales: 65,308
Prev. open int.: 378,995 up 4,221

3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun96	96.70	96.68	96.68	Unch.	170,044
Sep96	96.74	96.69	96.69	— 0.02	250,300
Dec96	96.56	96.50	96.51	— 0.01	204,093
Mar97	96.28	96.22	96.23	— 0.01	161,452
Jun97	95.96	95.88	95.89	— 0.02	100,091
Sep97	95.62	95.55	95.55	— 0.02	81,097
Dec97	95.29	95.22	95.22	— 0.03	56,948
Mar98	94.97	94.93	94.92	— 0.03	32,179
Jun98	94.67	94.64	94.60	— 0.03	23,345
Sep98	94.39	94.32	94.31	— 0.03	16,079
Dec98	94.11	94.04	94.04	— 0.02	15,753
Mar99	93.83	93.79	93.75	— 0.03	12,345

Est. sales: 94,848. Prev. sales: 277,788
Prev. open int.: 1,123,726 up 2,129

3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun 96	96.02	95.98	95.98	— 0.01	47,875
Sep 96	96.02	95.95	95.95	— 0.04	59,135
Dec 96	95.91	95.83	95.83	— 0.04	32,444
Mar 97	95.72	95.65	95.65	— 0.04	22,961
Jun 97	95.46	95.40	95.40	— 0.05	12,108
Sep 97	95.19	95.15	95.16	— 0.01	8,019
Dec 97	94.96	94.93	94.93	— 0.01	6,183
Mar 98	94.73	94.70	94.72	+ 0.01	6,151
Jun 98	94.52	94.50	94.52	+ 0.02	3,279
Sep 98	94.29	94.28	94.28	+ 0.00	2,206
Dec 98	94.03	94.03	94.03	— 0.04	2,584
Mar 99	0.00	0.00	93.80	+ 0.00	3,802

Est. volume: 41,744. Open int.: 207,747 off 1,102.

3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Jun96	91.32	91.12	91.14	— 0.14	47,966
Sep96	91.97	91.73	91.74	— 0.18	41,879
Dec96	92.25	92.04	92.04	— 0.15	29,714
Mar97	92.34	92.07	92.07	— 0.14	12,158
Jun97	92.14	91.96	91.96	— 0.13	6,057
Sep97	91.95	91.80	91.79	— 0.13	4,361

Est. sales: 40,107. Prev. sales: 25,222
Prev. open int.: 142,135 off 2,857

Industrials

COTTON 2 (NCTN) 50,000 lbs.- cents per lb

	High	Low	Close	Chge	Opint
Jul 96	79.35	78.76	79.28	+0.88	23,454
Oct 96	79.15	78.70	78.78	+0.73	4,915
Dec 96	78.90	78.30	78.81	+0.94	28,233
Mar 97	79.90	79.35	79.70	+0.99	5,101
May 97	80.35	80.00	80.35	+0.80	2,047
Jul 97	80.80	80.38	80.67	+0.77	940

Est. sales N.A. Thu's. sales 27,223
Thu's open int 67,246 up 1092

HEATING OIL (NMER) 42,000 gal- cents per gal

	High	Low	Close	Chge	Opint
May 96	52.25	50.50	50.50	—1.59	5,816
Jul 96	51.70	50.75	50.90	—0.61	22,849
Aug 96	51.90	51.00	51.30	—0.26	14,256
Sep 96	52.30	51.60	51.60	—0.26	9,582
Oct 96	52.60	52.30	52.40	—0.01	4,946
Nov 96	53.25	52.70	52.90	—0.06	6,836
Dec 96	53.90	53.30	53.50	—0.01	16,375
Jan 97	54.10	53.50	53.50	—0.16	6,254
Feb 97	53.80	53.05	53.30	+0.14	3,951
Mar 97	52.20	51.65	51.90	+0.44	1,468

Est. sales N.A. Thu's. sales 32,883
Thu's open int 96,636 off 340

LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.

	High	Low	Close	Chge	Opint
Jul 96	20.10	19.62	19.76	—0.18	83,097
Aug 96	19.37	18.92	19.10	—0.15	50,082
Sep 96	18.85	18.60	18.46	—0.10	37,031
Oct 96	18.45	18.10	18.23	—0.07	25,330
Nov 96	18.22	18.09	18.14	—0.05	20,950
Dec 96	18.72	17.98	18.00	—0.02	34,444
Jan 97	17.98	17.93	17.88		21,280
Feb 97	17.72	17.72	17.77	+0.02	16,987
Mar 97			17.67	+0.03	10,335
Apr 97	17.65	17.65	17.57	+0.03	5,490
May 97			17.47	+0.03	4,653
Jun 97	17.50	17.48	17.42	+0.03	16,456
Jul 97	17.45	17.45	17.45	+0.09	3,901

Est. sales N.A. Thu's. sales 118,075
Thu's open int 384,332 up 707

NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu

	High	Low	Close	Chge	Opint
Jul 96	2.410	2.365	2.405	+9	34,279
Aug 96	2.450	2.415	2.440		20,831
Sep 96	2.415	2.390	2.405		14,866
Oct 96	2.395	2.375	2.385		13,817
Nov 96	2.405	2.390	2.400	—7	9,737
Dec 96	2.485	2.465	2.480	—5	11,525
Jan 97	2.500	2.480	2.490	—5	7,354
Feb 97	2.400	2.385	2.395		4,719
Mar 97	2.220	2.210	2.220	+5	3,888
Apr 97	2.080	2.065	2.075	+5	2,478
May 97	2.030	2.015	2.030	+10	2,388

Est. sales N.A. Thu's. sales 25,528
Thu's open int 144,799

UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal

	High	Low	Close	Chge	Opint
May 96	60.10	58.50	58.50	—1.38	5,934
Jul 96	60.00	58.60	58.60	—1.07	23,849
Aug 96	58.90	57.60	57.60	—1.05	13,927
Sep 96	57.25	56.50	56.50	—0.55	4,466
Oct 96	55.00	54.50	54.70	+0.25	1,654
Nov 96	53.45	52.70	53.30	+0.50	1,122

Est. sales N.A. Thu's. sales 35,858
Thu's open int 53,313 off 1607

GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons

	High	Low	Close	Chge	Opint
Jun 96	164.25	162.50	163.50	—2.25	14,163
July 96	160.50	159.00	160.50	—1.25	12,346
Aug 96	159.50	158.25	159.50	—1.50	8,014
Sep 96	160.00	159.00	159.75	—2.00	5,032
Oct 96	160.00	159.75	160.25	—1.75	2,009
Nov 96	160.50	160.00	160.50	—1.75	1,507
Dec 96	160.75	160.25	160.75	—1.75	8,197
Jan 97	160.75	160.75	160.25	—1.75	1,514
Feb 97	158.00	158.00	158.00	—2.00	428
Mar 97	156.00	156.00	155.75	—2.25	200
Apl 97	154.00	154.00	153.75	—2.25	150
May 97	153.00	153.00	152.25	—2.75	100

Est. sales:12,275. Open int.:54,751 up 2,451

BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels

	High	Low	Close	Chge	Opint
July 96	18.05	17.75	17.80	—0.09	61,225
Aug 96	17.71	17.40	17.44	—0.13	43,776
Sep 96	17.39	17.20	17.24	—0.11	14,901
Oct 96	17.15	17.00	17.04	—0.10	14,798
Nov 96	16.98	16.85	16.89	—0.08	4,869
Dec 96	16.85	16.75	16.76	—0.08	11,974
Jan 97	16.70	16.65	16.64	—0.07	12,980
Feb 97	16.65	16.55	16.52	—0.08	6,534
Mar 97	16.51	16.45	16.41	—0.10	3,164
Apr 97	16.36	16.32	16.31	—0.12	2,225

Est. sales: 38,938. Open int.:177,696 off 875

Stock Indexes

S&P COMP. INDEX (CMER) 500 x index

	High	Low	Close	Chge	Opint
Jun 96	675.30	666.60	670.20	—3.20	169,797
Sep 96	680.90	672.40	676.10	—3.15	26,903
Dec 96	686.90	678.50	684.00	—1.20	4,116
Mar 97	693.55	685.15	687.20	—4.65	487

Est. sales N.A. Thu's. sales 89,185
Thu's open int 201,303 up 1453

FTSE 100 (LIFFE) £25 per index point

	High	Low	Close	Chge	Opint
Jun96	3774.0	3760.0	3735.0	— 19.0	50,478
Sep96	3779.0	3773.0	3742.5	— 19.0	10,861
Dec96	3806.0	3806.0	3771.0	— 19.0	832

Est. sales: 11,104. Prev. sales: 15,031
Prev. open int.: 62,171 off 1,252

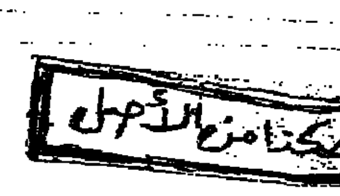
CAC 40 (MATIF) FF200 per index point

	High	Low	Close	Chge	Opint
May 96	2124.0	2110.0	2117.1	+9.10	9,171
Jun 96	2102.0	2087.0	2088.0	+1.50	51,324
Jul 96	2098.0	2085.0	2085.5	+1.50	4,211
Sep 96	2111.5	2099.5	2099.5	+2.00	8,963
Dec 96	2129.0	2129.0	2119.5	+2.50	2,400
Mar 97	0.00	0.00	2138.5	+1.50	3,935
Sep 97	0.00	0.00	2128.5	+1.50	4,570
Mar 98	0.00	0.00	2179.5	+1.50	1,520

Est. volume: 37,769. Open int.: 86,094 off 4,765.

Commodity Indexes

	Close	Previous
Moody's	1,549.10	1,561.70
Reuters	2,106.60	2,116.07
D.J. Futures	151.60	150.90
CRB	254.07	257.25



Consumer Spending Helps France Grow 1.2% in 1st Quarter

Compiled by Our Staff From Dispatches

PARIS — France's economy grew strongly in the first quarter, rebounding from a decline late last year caused by a paralyzing public sector strike, on an increase in consumer spending, data released Friday showed.

France's gross domestic product rose 1.2 percent in the first three months of 1996 after slipping 0.4 percent in the final quarter of 1995, the national statistics institute INSEE said. The growth was higher than the 0.6 percent forecast by most private economists.

The increase was good news for the center-right government of President Jacques Chirac, which is banking on a recovery in growth to help it cut France's total public deficit to 3 percent of GDP in 1997 in preparation for European economic and monetary union.

But economists warned that growth in the second quarter would be weaker because consumers, rattled by the government's harsh spending cuts and high unemployment, would be reluctant to keep spending.

"In no way do these figures show a strong recovery," said David Naude, an economist with J. P. Morgan. "The underlying trend remains quite weak."

Paris has forecast economic growth of 1.3 percent in 1996, compared with 2.3 percent last year. But since the first quarter of 1995, the economy has expanded by just 0.9 percent.

Expansion in the first quarter was driven by a 2.4 percent jump in consumer spending, which had been held back by the strike in November and December against the government's austerity drive.

A strong export performance also contributed, along with special factors such as more working days — partly due to the leap year — and an unusually harsh winter weather that lifted energy production, INSEE said.

But recent data have shown consumption weakening sharply since the beginning of the year. This week the government reported consumer spending fell 1.4 percent in April and a survey of business leaders showed business confidence had deteriorated. *(Reuters, Bloomberg)*

■ Italy's Growth Slows

Italy's economic growth slowed in the first quarter, as the gross domestic product rose an inflation-adjusted 0.2 percent from the fourth quarter of 1995 and 1.2 percent from a year ago, The Associated Press reported from Rome.

The national statistics agency Istat, which announced the figures on Friday, said the average GDP growth for 1996 would be at 0.4 percent if the rate of growth remained at the level seen in the first quarter. Italy's economy grew 3 percent last year.

Economists suggested the slowdown was partly a result of the decline in net exports and investment, an excess in inventories and the recent appreciation of the lira against the Deutsche mark.

Crédit Lyonnais Hurts Thomson

Compiled by Our Staff From Dispatches

PARIS — Thomson SA, the state-owned defense and consumer electronics company, said Friday that the sale of its 21 percent stake in Crédit Lyonnais SA forced it to restate 1995 results.

The company said it posted a net loss of 2.72 billion French francs ($524.1 million) last year.

Based on international accounting standards, that compares with a loss of 2.16 billion francs in 1994. Under French accounting rules, the company's 1994 net loss was 3.29 billion francs.

On April 1, when Thomson first reported 1995 results, it said it posted a net loss of 1.38 billion francs for the year.

The restated numbers were reported in an official legal filing.

Thomson owns 100 percent of the consumer electronics company Thomson Multimedia and 56 percent of the defense electronics company Thomson-CSF.

Also on Friday, Thomson-CSF restated its 1995 results for a second time to post a net loss based on international accounting standards of 791 million francs. That compares with a loss of 962 million francs in 1994.

Thomson-CSF's net loss in 1994, based on French accounting rules, was 2.84 billion francs.

The subsidiary restated its results for the first time on May 20. At that time Thomson-CSF it said its net loss in 1995 was 712 million francs, compared with a loss of 896 million francs the previous year, excluding minority interests.

(Bloomberg, AFP, Reuters)

Analysts See a Yeltsin Victory

They Expect It to Touch Off a Market Boom

By Paul Lewis
New York Times Service

Two weeks before Russia's second presidential election, market analysts are betting that the incumbent, Boris N. Yeltsin, will emerge as the winner and complete the country's transition to market capitalism, sending stock values soaring.

But even if the prize goes to his principal rival, Gennadi A. Zyuganov — who calls himself a Communist, has criticized Mr. Yeltsin's tough anti-inflation measures and hinted that he may renationalize some companies — many of these same analysts feel that in practice he will be unable to do much more than temporarily slow the pace of economic change. That, too, leaves their outlook for the market positive.

This optimistic view of Russia's chaotic and barely regulated stock exchanges comes from analysts whose interest are generally to sell stocks to their clients. It also comes at a time when other Russian analysts are less optimistic about Mr. Yeltsin's re-election chances and are skeptical about the value of the public opinion polls on which many are basing their hopes.

Michel Camdessus, managing director of the International Monetary Fund, warned recently that he would halt IMF monthly payments if any new government departed from the agreed program by overspending, renationalizing privatized companies or halting new privatization.

The fund is lending Russia $10 billion over three years to back Mr. Yeltsin's free-market plans.

"They don't need to do 14 things wrong," Mr. Camdessus said. "Just one or two, and we will say no."

But stock analysts see the risks differently, in part because they do not think Russia can march back into the past.

"The very low valuation of Russian stocks means the downside risk of a Communist victory is outweighed by the upside rewards of a Yeltsin re-election," said Barbara Insel, the research coordinator for European emerging markets at Salomon Brothers. "A Communist victory would have more short-term than long-term economic effect. Russia needs money from the outside world. There will have to be accommodation with the West."

Yet, she warns that any investor should take a three- to five-year view.

In mid-March, the Moscow Times index of Russian stocks sank to an all-time low of 119.5 points. Then it suddenly took off, climbing to a record high of 242.20 on May 28. The index closed Friday at 229.23, up almost 60 percent on the year in dollar terms.

The most liquid stocks, such as Lukoil, the long-distance phone company Rostelecom and the utility Mosenergo, lead the rally.

The market's strength, which analysts say is being fueled by foreign buying, reflects a growing belief thatMr. Yeltsin is closing in on Mr. Zyuganov.

Some polls have Mr. Yeltsin narrowly in the lead for the first round of balloting June 16, although not by the majority required to avoid a runoff. A second round, if necessary, would be held about 15 days later.

"We expect a second-round Yeltsin victory" said Arnab Das of J. P. Morgan, who recommends buying Russian bonds denominated in dollars.

Michael Klebnikov of the New York broker H. Rivkin & Co., said, "Although disgusted by general lawlessness and corruption, more and more voters seem to prefer the president over the chaos a return to communism may bring." Mr. Klebnikov expects a Yeltsin victory followed by "a sustained equity rally."

The belief that victory for Mr. Yeltsin would produce a stock rally rests on the assumption that it would allow him to complete Russia's transformation into an open, market-oriented society.

But, as Mr. Das points out, this change will not come easily. He notes that the president has already been forced by Mr. Zyuganov's initially strong showing to augment a populist stance — increasing spending, slowing privatization and dismissing from the cabinet proven reformers like the first deputy prime minister, Anatoly B. Chubais.

"The economic front will be complicated by the stress on the federal budget from high election-year expenditures," he said. But he also predicted that a Yeltsin victory would mean "lower political risk," which, in turn, means "greater capital inflows and lower domestic interest rates."

Stora Price Rise Draws Skepticism

AFX News

STOCKHOLM — Stora joined two other Swedish paper companies Friday in raising prices, but analysts said the increases, to take effect Saturday, were unlikely to hold.

Stora plans to charge $560 per metric ton for its benchmark long-fiber Northern bleached kraft, an 8 percent increase.

Sodra Cell AB and Rottneros Bruk AB have already announced price increases.

But Lennart Holm, the head of the market pulp unit Stora Cell AB, noted that the market was very difficult to judge.

"We are not sure what is going to happen with softwood pulp on June 1," he said. "We intend to raise the price to $560 a ton, but several producers are hesitating and we cannot be out of line with our competitors."

"Everyone is waiting for everyone else," he added.

Representatives at Sodra and Rottneros said the price for their companies' benchmark wood would also rise to $560 a ton.

Helge Eklund, chief executive of Sodra, has said that the benchmark price needs to rise by another $100 a ton, saying that even at $560 a ton, the company loses $50 to $100 a ton.

But Mikeal Jaafs, an analyst with Sparbanken Sverige, said even the increase due to take effect Saturday would not survive the market.

"I don't think the rises will stick," he said. "The normal thing would be for prices to remain at rock bottom levels through the summer."

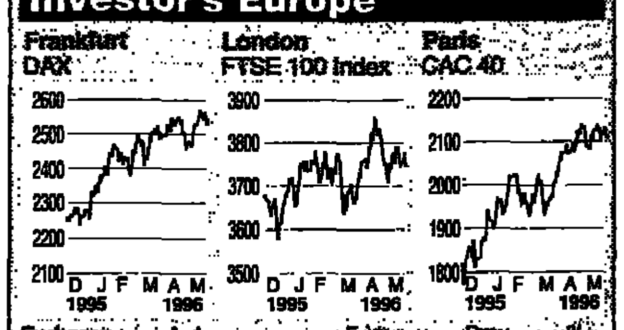
He said global pulp inventories remained too high despite reductions in stocks in the United States, Canada and Scandinavia.

"The increase does seem to be a little early," said Bjorn Danckwardt-Lillestrom of Svenska Handelsbanken. "But on the other hand, I do think it sets a bottom to the market and indicates the direction prices will go."

Mr. Holm said North American and Scandinavian inventories were falling more than estimated.

"We are seeing very heavy falls in inventories in April," the Stora executive said, "and we are expecting similar falls in May."

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	570.89	565.03	+0.90
Brussels	Stock Exchange	9,378.69	9,345.46	+0.35
Frankfurt	DAX	2,542.80	2,527.31	+0.61
Copenhagen	Stock Market	402.95	403.43	-0.12
Helsinki	HEX General	2,070.42	2,024.24	+2.28
Oslo	OBX	457.49	456.59	+0.20
London	FTSE 100	3,747.80	3,746.70	+0.03
Madrid	Stock Exchange	360.72	361.71	-0.27
Milan	MIBTEL	10,651.00	10,647.00	+0.04
Paris	CAC 40	2,110.86	2,108.44	+0.08
Stockholm	SX 16	2,106.51	2,087.80	+0.90
Vienna	ATX	1,130.11	1,129.96	+0.01
Zurich	SPI	2,299.26	2,287.34	+0.52

Source: Telekurs — International Herald Tribune

Very briefly:

- **Ferruzzi Finanziaria SpA** has sold its stake in the Rome newspaper Il Messaggero to the construction company Caltagirone for 356 billion lire ($230.1 million).
- **Union Bank of Switzerland** plans to shuffle its management structure to strengthen its executive board and to develop a strategy of a full-service international financial institution. Switzerland's biggest bank also plans to strengthen its Swiss operations by adding management positions. It named Felix Fischer the bank's first chief financial officer.
- **Siemens España SA** plans to cooperate with Amper SA in the telecommunications sector through a 14 billion peseta ($108.7 million) investment. The Spanish unit of the German conglomerate will acquire 80 percent of Amper Elasa and 10 percent of Amper Datos.
- **Anglo American Corp. of South Africa Ltd.** said financial 1996 net earnings rose 30 percent, to 4.4 billion rand ($1 billion) as the company raised profit at its mining, diamond and industrial interests.
- **Close Brothers Group PLC,** a British securities firm, said it would buy the corporate finance unit of Hill Samuel Bank Ltd. from Lloyds TSB Group PLC.
- **VIAG AG's** Computer 2000 unit has delayed the sale of 240,000 new shares to mid-August from mid-June, citing price wars in the personal computer business and sluggish sales.
- **Hungary's** government announced that Istvan Kocsis, deputy chief executive of the state privatization agency APV Rt., would succeed Attila Lascsik, the chief executive officer.
- **Belgium** has authorized the creation of the European Association of Securities Dealers Automated Quotation, or Easdaq, stock exchange for growth companies, clearing the way for the launch of the project in September.
- **British Telecommunications PLC** plans to raise £77 million ($118 million) per year by raising line rental charges, in line with its regulator's decision to remove a price cap on the service.

Names, names, names...

- **Sir Colin Southgate** will resign as chairman of Thorn EMI PLC's rental company, which will be split off in August.
- **Trond Berger** will succeed **Oyvin Broymer** as chief financial officer of Nycomed ASA, a Norwegian pharmaceuticals company.

Bloomberg, AFX, Reuters

WORLD STOCK MARKETS

Friday, May 31
Prices in local currencies.
Telekurs

Amsterdam
EOE Index: 570.89 Previous: 565.03

	High	Low	Close	Prev.
ABN-AMRO	94.30	91.90	94.20	91.80
Aegon	83.10	81.70	81.80	82.60
Ahold	92	91	91.60	90.60
Akzo Nobel	208.20	205.10	206.70	204.40
Bols Wess cva	30.80	29.60	30.40	29.60
CSM cva	78.60	78	78.90	78.30
Dordtsche Pet	273.90	271.50	273.90	270.80
DSM	175.80	174.60	175.40	174.50
Elsevier	26.70	26.40	26.50	26.40
Fortis Amev	133.40	131	133.10	131
G-Broc cva	53.60	53	53.20	53.20
Hagemeyer	117.50	115.20	117.50	115.20
Heineken	387.50	383	387.30	382
Hoogovens	64.90	64.10	64.40	64.40
Hunt Douglas	119.50	117.80	118.50	120
ING cva	140.80	139.20	140.60	138.70
KLM	61.60	60.60	61	61.30
KNP BT	42.80	42.40	42.60	42.60
KPN	62.50	61.80	61.80	61.70
Nedlloyd Gp	38.40	38.10	38.40	38.40
Nutricia	183.50	179.50	182.50	179.50
Oce Grinten	167.30	164	167	164
Pakhoed	43.70	43.20	43.20	43.40
Philips Elec	61	60	60.60	60
Polygram	101.30	99.80	100	100.20
Randstad Hdg	126	120	124.10	120
Robeco	128.80	128.40	128.40	128.40
Rodamco	49.50	49	49.30	49.20
Rolinco	140.50	140.20	140.20	139.20
Rorento	97.10	96.70	96.70	96.90
Royal Dutch	260.30	258.50	259.10	257.50
Stork	46.50	45.60	46.10	45.80
Unilever cva	232.40	230.50	232.40	230.40
VNU	28	27.80	28	27.70
Wolters Kl cva	192.20	189.50	190.90	189.60

Markets Closed

Stock markets in Bangkok, Jakarta, Kuala Lumpur and Singapore were closed Friday for a holiday.

Bombay
Thursday, May 30
Sensitive Index: 3780.62 Previous: 3748.45

	High	Low	Close	Prev.
Assoc Cement	3875	3750	3755.50	3725.50
Grasim Ind	578	569	571.50	568.25
Hindalco Ind	1330	1312.25	1320	1315
Indust Lever	781	770	775.75	768
Indian Hotels	772	760	760.75	755
ITC	283.75	272.25	273	267.75
Larsen Toubro	285.25	274	275.75	275.75
Reliance Ind	247	236	237	228.25
Tata Eng Loco	490	477.50	483.75	478
Tata Iron St	247	235.25	237	227.75

Brussels
Stock Exchange Index: 9378.61 Previous: 9345.46

	High	Low	Close	Prev.
Arbed	3780	3570	3730	3615
Barco Ind	4890	4865	4880	4875
BBL	5830	5770	5820	5700
Bekaert	26600	26300	26300	26325
CBR	2365	2360	2365	2395
CMB	2570	2515	2525	2515
Cockerill	167	160	164	165
Colruyt	10500	10400	10450	10350
Delhaize Lion	1590	1575	1590	1565
Electrabel	6840	6800	6820	6810
Electrafina	2970	2960	2970	2965
Fortis AG	4230	4180	4215	4175
GIB	1410	1396	1410	1394
GBL	4200	4150	4200	4140
Gen Banque	11200	10900	10950	10850
Glaverbel	3670	3620	3660	3605
Kredietbank	9200	9140	9180	9080
Mosane	2230	2200	2230	2250
Petrofina	9400	9350	9370	9300
Powerfin	4375	4315	4375	4300
Recticel	296	295	295	300
Royale Belge	6380	6310	6340	6350
Soc Gen Belg	2340	2315	2330	2315
Solvay	19000	18700	18775	18400
Tessenderlo	13000	12700	12875	12900
Tractebel	14150	13950	14125	13875
UCB	59100	58200	58250	58800
Union Miniere	2380	2360	2365	2355

Copenhagen
Stock Index: 402.95 Previous: 403.43

	High	Low	Close	Prev.
Carlsberg B	335	320	330	330
Danisco	290	284	286	288
Den Danske Bk	370	366	369	368
D/S Svendborg A	193000	192000	192500	192500
D/S 1912 A	133000	133000	133000	133000
East Asiatic Co	129	123	126	127
FLS Ind B	615	608	608	605
ISS Intl Svc B	125	110	115	131
Novo Nordisk B	812	802.99	810	810
Radiometer B	380	376	380	379
Sophus Ber B	788	780.05	785	786
Tele Danmark B	292	288	290	286
Unidanmark A	259	254	255	257.10

Frankfurt
DAX: 2542.80 Previous: 2527.31

	High	Low	Close	Prev.
AMB	830	830	830	815
AEG	168.70	168.20	168.20	168
Allianz Hdg	2532	2521	2532	2529
Altana	966	960	961	964
Asko Deutsche	1060	1020	1060	1011
Badenwerk	523	523	523	523
BASF	424.50	420.70	424	417.30
Bayer Hypo Bk	38.53	38.33	38.43	38.40
Bay.Vereinsbank	43.10	42.85	43	42.80
Bayer	512.80	509.60	510	506.30
Berliner Kraft	414	410	414	415
BHF Bank	38.50	37.90	38.35	38.50
BMW	843	839	840	840.50
CKAG Colonia	1000	995	1006	995
Commerzbank	320.50	318	318	319.70
Daimler Benz	838.50	833	834	832.50
Degussa	527	524.50	524.50	524
Deutsche Bank	71.75	71.42	71.65	71.32
Dresdner Bank	38.35	38.17	38.25	38.17
Heidelbg Zmt	1005	1000	1005	995
Henkel	642	635.50	641.50	637
Hochtief	675	660	675	660
Hoechst	511.50	507.70	507.80	507.20
Holzmann Ph.	483	481	481	484
Karstadt	601	595	601	591.50
Kaufhof Hdg	537.50	526	537.50	534.50
Linde	980	963	980	956
Lufthansa ord	237.50	235.70	236.50	232.80
MAN	396	391.50	394	395
Mannesmann	531	528.50	529.30	524
Muench Rueck	2720	2700	2700	2700
Preussag	391.50	387	389.50	391
PWA	201	197	201	199
RWE	60.30	60.10	60.25	59.90
SAP pfd	208.50	205.50	208.50	201.35
Schering	115.40	114.70	115.10	113.85
Schmalb Lub	284.50	281	282	284.50
Siemens	85.75	85.40	85.58	85.25
Suedzucker	730	730	734	730.50
Thyssen	282.50	281.70	282.30	280.80
Veba	79.99	79.67	79.85	79.85
VEW	459	457	458	465
Viag	593.80	591	593.80	588
Volkswagen	538.75	536.50	538.40	535
Wella	828	820	823	825

Helsinki
HEX General Index: 2070.42 Previous: 2024.24

	High	Low	Close	Prev.
Cultor 1	227	220	220	220
Enso R	35.50	34.80	35.20	34.90
Huhtamaki IF	159	158	158	159
Kesko	60.20	59.40	60	59.90
Kone BF	540	521	521	540
Merita A	9.90	9.83	9.90	9.83
Metra BF	221	218	221	218
Metsa-Serla B	32.20	31.50	32	30.80
Nokia Prf F	205.50	199.10	205	192.50
Outokumpu A	83.50	83	83	83
Rautaruukki	35.50	35	35.20	35.20
Stockmann A	250	245	250	243
UPM-Kymme	90.80	89	90.80	89
Valmet A	79.80	75.50	76	76

Hong Kong
Hang Seng: 11264.70 Previous: 11157.10

	High	Low	Close	Prev.
Amoy Props	9.65	9.35	9.55	9.35
Bk East Asia	27.40	27.10	27.25	27.25
Cathay Pacific	14.45	14.25	14.30	14.40
Cheung Kong	57.25	56.25	57	56
China Light	36.90	36.40	36.70	36.50
Chin Estates	6.90	6.80	6.85	6.85
Citic Pacific	32	31.50	31.80	31.60
Cons Elec Pwr	13.30	13.10	13.30	13.10
Dao Heng Bk	29.10	28.75	29	28.80
First Pacific	10.70	10.55	10.60	10.55
Great Eagle	23.70	23.30	23.70	23.40
Guangdong Inv	5.05	4.95	5.05	4.98
Guoco Group	38	37.60	37.60	38.10
Hang Lung	15.05	14.75	15.05	14.80
Hang Seng Bk	80.75	80	80.75	80.25
Henderson Inv	6.85	6.75	6.80	6.75
Henderson Ld	58.50	57.75	58.50	57.75
HKR Intl	8.95	8.85	8.85	8.85
HK Aircraft	24.20	23.50	24.15	23.45
HK China Gas	12.35	12.25	12.30	12.25
HK Electric	25	24.75	24.75	24.70
HK Shang Htls	13.70	13.40	13.65	13.50
HK Telecomm	14.45	14.30	14.35	14.30
Hopewell Hdgs	4.68	4.60	4.65	4.63
HSBC Hdgs	117	116	117	115.50
Hutchison Wh	49.80	49.10	49.70	49
Hysan Dev	25	24.80	24.95	24.70
Johnson El 500	17.35	16.55	17.20	16.50
Miramar Hotel	17	16.90	16.90	17
Natl Mutual	7	6.90	7	6.80
New World	36.70	36.20	36.70	36.20
Oriental Press	3.70	3.60	3.70	3.58
Orient Telecom	3.65	3.58	3.63	3.65
Shangri-La	10.80	10.60	10.70	10.60
SHK Props	79	78.50	79	78.50
Shun Tak Hdgs	5.20	5.15	5.15	5.18
Sino Land Co.	7.85	7.65	7.85	7.65
Sth China Post	5.65	5.60	5.65	5.65
Swire Pac A	69	68.50	68.50	68.75
Tsim Sha Tsui	9.30	9.20	9.30	9.25
TV Broadcasts	30.60	29.70	30.60	29.65
Wharf Hdgs	29.85	29.25	29.85	29.25
Wheelock	15.70	15.45	15.65	15.35

Johannesburg
All Market: 6819.49 Previous: 6752.28

	High	Low	Close	Prev.
AngloAm-Corp	282.50	280	282	279
AngloAm Gold	450	443	445	450
AngloAm Ind	190	189	189	189
Barlow	46	46	46	45.25
C.G. Smith	24.50	24.50	24.50	23.50
De Beers	142	141	141.75	141
Driefontein	64.25	63.50	64	64.50
Freegold	50.25	49.25	49.25	50.50
Fst Natl Bk	29	28.75	29	29
Gencor	17	16.75	17	16.75
GFSA	144	143	143	142
Iscor	3.46	3.35	3.35	3.40
Johnnies Ind	51.50	50.50	51.25	50.50
Kloof Gold	55.50	54.25	55.50	55.50
Liberty Life	126	125	126	124
Minorco	106	105.50	105.50	106
Nedcor	60.50	60	60	59
Rembrandt Gp	38.75	37.50	38.75	37.25
Richemont	64.50	63.75	63.75	62.50
Rust Platinum	83	82	83	81.50
SA Breweries	133	128.50	132.75	127.75
Sappi	48.50	47	47.90	47
Sasol	43.40	43	43.30	43.20
SBIC	159	158	159	155
Tiger Oats	60	59	59.75	58

London
FT-SE 100: 3747.80 Previous: 3746.70

	High	Low	Close	Prev.
Abbey Natl	5.62	5.52	5.53	5.59
Allied Domecq	4.90	4.81	4.87	4.88
Anglian Water	6.13	5.97	6.01	6
Argyll Group	3.64	3.48	3.55	3.47
Arjo Wiggins	1.79	1.75	1.77	1.77
Asda Group	1.21	1.18	1.19	1.19
Assoc Br Foods	3.83	3.73	3.79	3.80
BAA	4.93	4.86	4.87	4.93
Barclays	7.59	7.50	7.51	7.55
Bass	8.23	8.13	8.15	8.14
BAT Ind	5.24	5.15	5.19	5.17
Bank Scotland	2.70	2.66	2.70	2.67
BICC	3.28	3.23	3.26	3.25
Blue Circle	3.57	3.50	3.52	3.52
BOC Group	9.35	9.28	9.31	9.38
Boots	6.15	6.07	6.09	6.10
Bowater	3.64	3.53	3.60	3.49
BPB Ind	3.24	3.21	3.22	3.21
Brit Aerosp	8.92	8.83	8.89	8.88
Brit Airways	5.67	5.60	5.61	5.66
Brit Gas	2.03	1.88	1.91	1.87
Brit Petm	5.63	5.54	5.56	5.58
Brit Steel	1.73	1.69	1.70	1.75
Brit Telecom	3.88	3.45	3.56	3.45
BTR	2.84	2.79	2.81	2.79
Burmah Cast	10.53	10.42	10.44	10.52
Cable Wireless	4.48	4.34	4.44	4.46
Cadbury Schw	4.87	4.82	4.83	4.85
Caradon	2.37	2.31	2.33	2.37
Carlton Comm	4.88	4.81	4.84	4.85
Coats Viyella	1.84	1.78	1.82	1.79
Comml Union	6.14	6.03	6.06	6.12
Courtaulds	4.40	4.31	4.33	4.32
De La Rue	7.23	7.13	7.18	7.12
Eng China Cl	2.75	2.68	2.72	2.68
Enterprise Oil	4.77	4.73	4.73	4.75
Fam Colonial	1.62	1.58	1.59	1.58
Genl Accident	6.75	6.64	6.66	6.60
GEC	3.75	3.67	3.73	3.67
GKN	10.15	9.88	9.90	10.05
Glaxo	8.61	8.38	8.40	8.40
Granada Gp	8.25	8.14	8.23	8.15
Grand Met	4.43	4.33	4.35	4.40
GRE	2.76	2.67	2.68	2.69
Guinness	4.74	4.65	4.66	4.68
GUS	6.80	6.65	6.80	6.66
Hanson	1.89	1.85	1.87	1.89
Hillsdown Hdg	1.80	1.78	1.79	1.78
HSBC Hldgs	9.86	9.80	9.80	9.73
ICI	8.60	8.50	8.53	8.48
Inchcape	3.10	2.96	3.04	2.98
Kingfisher	6.18	6.08	6.09	6.06
Ladbroke	1.93	1.89	1.90	1.89
Land Sec	6.44	6.33	6.42	6.35
Laporte	7.45	7.33	7.39	7.33
Lasmo	1.85	1.81	1.82	1.83
Legal Genl Grp	7.13	7.04	7.06	7.08
Lloyds Bank	5.25	5.18	5.20	5.24
Lloyds TSB Gp	3.16	3.11	3.13	3.11
London Elec	7.29	7.15	7.24	7.17
Lucas Ind	2.55	2.35	2.45	2.32
Marks Spencer	4.75	4.58	4.63	4.58
MEPC	4.35	4.15	4.18	4.19
Mercury Asset	9.93	9.75	9.92	9.67
Midlands Elec	4.37	4.24	4.25	4.26
Natl Power	5.25	5.18	5.21	5.23
NatWest	6.30	6.22	6.24	6.24
News Intl	3.10	3.10	3.10	3.02
Utd Utilities	5.90	5.77	5.83	5.78
Nthern Foods	1.87	1.81	1.85	1.82
P&O	5.28	5.23	5.24	5.23
Pearson	6.95	6.81	6.92	6.91
Pilkington	1.95	1.90	1.90	1.94
PowerGen	5.36	4.97	4.97	5.23
Prudential	4.30	4.26	4.30	4.26
Rank Org	5.61	5.11	5.12	5.16
Reckitt Colm	6.95	6.83	6.92	6.87
Redland	4.03	3.98	4.02	3.97
Reed Intl	11.25	11.13	11.16	11.20
Rentokil	4.13	4.08	4.10	4.13
Reuters Hdgs	7.64	7.49	7.51	7.55
RMC Group	10.20	9.97	10.06	10.15
Rolls Royce	2.28	2.24	2.25	2.26
Royal Bk Scot	5.27	5.20	5.22	5.22
RTZ reg	10.19	10.03	10.06	10.14
Royal Insur	4.30	4.23	4.24	4.25
Sainsbury	3.97	3.87	3.97	3.89
Schroders	13.55	13.44	13.50	13.55
Scot Newcastle	6.82	6.73	6.74	6.78
Scot Power	3.23	3.16	3.18	3.22
Sears	0.97	0.94	0.95	0.95
Severn Trent	6.10	5.98	6.04	6.02
Shell Trsp reg	9.25	9.16	9.18	9.20
Siebe	8.70	8.62	8.65	8.63
Smith Nephew	2.04	2	2	2.04
Smith (WH)	4.62	4.53	4.53	4.55
SmithKline	6.61	6.52	6.57	6.52
Smiths Ind	7.03	6.98	6.99	6.98
Sthern Elec	7.25	7.07	7.14	7.10
Stand Charter	6.46	6.30	6.42	6.24
Sun Alliance	4.07	3.98	3.98	4.06
Tate & Lyle	4.60	4.55	4.55	4.57
Tesco	3.03	2.97	3.02	2.98
Thames Water	5.95	5.89	5.92	5.92
Thorn EMI	17.99	17.75	17.94	17.70
3i Group	4.53	4.50	4.52	4.50
TI Group	5.37	5.28	5.30	5.31
Tomkins	2.60	2.55	2.56	2.56
Unilever	12.11	11.98	12	12.10
Utd Biscuits	2.22	2.18	2.20	2.21
Utd News	7.45	7.42	7.44	7.45
Vendome uts	6.37	6.30	6.35	6.27
Vodafone	2.60	2.55	2.56	2.56
Whitbread	7.39	7.28	7.29	7.27
Williams Hdgs	3.38	3.37	3.32	3.34
Wolseley	4.62	4.58	4.60	4.58
Zeneca	13.96	13.68	13.71	13.88

Madrid
Stock Exchange: 360.72 Previous: 361.71

	High	Low	Close	Prev.
Acerinox	14250	14150	14200	14200
ACESA	1390	1370	1385	1380
Argentaria	5390	5360	5390	5370
BBV	4880	4850	4865	4870
Banesto	822	811	815	825
Bankinter	13320	13220	13230	13250
Bco Centro Hisp	2585	2545	2585	2555
Bco Exterior	3080	3060	3065	3060
Bco Popular	22450	22380	22450	22400
Bco Santander	5910	5840	5870	5870
CEPSA	3930	3900	3915	3930
Corp Mapfre	6390	6300	6340	6330
Dragados	1740	1725	1725	1735
Endesa	8170	7950	7990	8150
FECSA	923	912	920	915
Fomento Const	10350	10200	10300	10290
Gas Natural	22720	22410	22700	22670
Hidroel Cantab	4220	4150	4150	4210
Iberdrola	1320	1290	1305	1315
Pryca	3080	2965	3025	3020
Repsol	4430	4385	4400	4445
Sevillana Elec	1120	1105	1105	1115
Tabacalera	5870	5760	5870	5820
Telefonica	2330	2310	2310	2305
Union Fenosa	792	780	781	786
Valenc Cement	1575	1555	1560	1580

Manila
PSE Index: 3250.26 Previous: 3286.38

	High	Low	Close	Prev.
Ayala A	27.50	26.50	26.50	27
Ayala Land	46	44.50	45	45.50
Manila Elec A	160	158	158	158
Metro Bank	790	780	785	790
Petron	10.50	10.25	10.25	10.25
Phil Long Dist	1520	1505	1510	1505
San Miguel A	46.50	45.50	46	46.50
San Miguel B	92.50	90	90.50	93
SM Prime Hdg	6.50	6.40	6.40	6.50

Mexico
Bolsa Index: 3285.51 Previous: 3268.86

	High	Low	Close	Prev.
Alfa A	122.10	120.80	120.90	122.30
Cemex B	30.35	30.95	30.30	30.35
Cifra C	11.10	11.00	11.10	11.00
Empresas ICA	109.00	107.60	109.00	108.10
Emp Moderna	36.15	34.80	35.00	34.90
Femsa	22.15	21.70	21.75	22.20
Gpo Carso A1	56.70	55.50	55.50	56.50
Televisa CPO	118.90	116.50	116.60	119.70
TelMex L	12.56	12.42	12.48	12.56
Tribasa CPO	24.50	24.10	24.50	24.10

Milan
MIB Telematico: 10651.00 Previous: 10647.00

	High	Low	Close	Prev.
Alleanza Assic	13685	13425	13470	13575
Bco Comm Ital	3300	3210	3270	3290
Bco Naz Agricol	970	960	967	967
Bco Naz Lavoro	11500	11360	11360	11420
Bco di Roma	1530	1485	1525	1514
Bco Ambrosiano	4340	4170	4340	4170
Benetton	19000	18800	19000	18900
Credito Italiano	1930	1910	1920	1907
Fiat	5450	5355	5450	5415
Fondiaria	7940	7665	7720	7785
Generali Assic	37000	36600	36700	36600
IFIL	5150	5100	5150	5145
Italcementi	13050	12680	12760	12985
Italgas	5610	5520	5575	5520
Mediobanca	10690	10510	10690	10600
Montedison	942	930	940	937
Olivetti	979	946	967	971
Pirelli	2555	2500	2530	2520
RAS	16630	16120	16340	16130
Rinascente	10370	10170	10360	10340
S Paolo Torino	9445	9260	9440	9260
SME	1782	1712	1775	1785
Standa	17180	16400	17000	16300
Stet	5550	5500	5535	5500
Telecom Italia	3145	3090	3090	3115
Toro Assic	20300	19950	20300	19950

Montreal
Industrials Index: 2522.14 Previous: 2531.50

	High	Low	Close	Prev.
Atco I	19	18.85	18.85	18.90
Bank Montreal	32.90	32.65	32.65	32.80
Bce Mob Com	45.70	45.70	45.70	45.70
Cdn Tire A	17.95	17.90	17.95	17.70
Cdn Util A	26¼	26.20	26¼	26.15
Cascades	5¾	5.65	5¾	5¾
CT Finl Svc	25½	25½	25½	26
Extendicare	17½	17½	17½	17.80
Gaz Metro	15.45	15.30	15.40	15.35
Gt-West Lifeco	31	30¾	31	30½
Hees Intl Bcp	15.85	15.60	15.70	15.85
Hudsons Bay	19.10	19	19.10	19
Imasco	27.95	27.65	27.95	27.95
Investors Grp	17.95	17.95	17.95	18
Loblaw Cos	10.85	10.70	10.70	11
Molson A	23.20	23.10	23.20	23.20
Natl Bk Canada	11¾	11.70	11¾	11.70
Oshawa A	22.60	22.50	22.50	22.50
Pancdn Petlm	N.T.	N.T.	N.T.	32¼
Power Corp	22½	22.35	22.40	22.45
Power Finl	37.45	37¼	37¼	37.30
Quebecor B	21½	21.40	21.45	21.55
Rogers Comm B	13.70	13.70	13.70	13¾
Royal Bk Cda	32¾	32.55	32.70	32.65
Sears Canada	7.45	7.40	7.40	7½
Shell Cda A	44½	44¼	44¼	44½
Southam	17	16.95	16.95	17
Stelco A	6¼	6.20	6.20	6.15
Trilon Finl A	5.55	5.45	5.45	5½

Oslo
OBX Index: 457.49 Previous: 456.59

	High	Low	Close	Prev.
Aker A	127	126	127	126
Bergesen Dy B	123	120	122	121
Christiania Bk	15.20	15	15.10	15
Den Norske Bk	19.60	19.30	19.60	19.20
SAS -B-	70	67	69	70
Dyno Indust	141	140	141	141
Elkem	88	86	88	87
Hafslund A	52	51	52	51
Kvaerner	254	234	254	251
Leif Hoegh	98	97.50	98	98
Norsk Hydro	309.50	308	309.50	308
Norske Skog A	199	197	197	199
Orkla	324	322.50	324	323
Rieber B	133	133	133	132.50
Saga Petlm B	86	85	85.50	85
Schibsted	87.50	87	87	87
UniStorebr A	32	31.30	31.50	31.90

Paris
CAC-40: 2110.86 Previous: 2108.44

	High	Low	Close	Prev.
Accor	752	740	745	738
AGF	140.90	138.10	138.10	140
Air Liquide	900	884	899	879
Alcatel Alsth	473	468.50	471	471.60
Axa	296.90	293.60	293.60	295.10
Bancaire	578	562	566	563
BNP	194.50	191.10	193.80	192.50
Bouygues	568	560	562	559
Canal Plus	1270	1253	1267	1250
Carrefour	2859	2825	2830	2830
CCF	254	246	249	245.80
Credit Local cl	425.60	422.10	422.50	421.80
Credit Lyon PC	142.90	139.10	142.50	140
Crown Cork Seal	245.10	245	245	240
Danone	766	755	756	763
Elf-Aquitaine	382.20	374.20	374.20	381.10
Eridania BS	810	798	810	796
Euro Disney	13.85	13.55	13.70	13.55
Eurotunnel uts	7.75	7.40	7.50	7.30
Gen. Eaux	559	549	553	550
Havas	446	441	442	440
Lafarge Cop	343	340	340.40	341.10
Legrand	927	910	915	921
L'Oreal	1593	1564	1573	1558
LVMH	1272	1252	1254	1266
Lyon. Eaux	507	501	501	505
Michelin B	260.80	258.30	260.50	258.20
Navig Mixte	753	751	753	751
Paribas A	317	313.10	314	313.20
Pechiney SA	220.50	218.50	219.90	219
Pernod Ricard	342	338.10	339.80	338.60
Peugeot Cit	727	718	720	717
Pinault-Print	1609	1590	1600	1600
Promodes	1360	1345	1351	1348
Renault	145	141	141.30	140.90
Rh-Poulenc A	129.80	128	128.80	127.70
Roussel-Uclaf	1213	1187	1198	1195
Sanofi	400	397.40	397.20	398.80
Schneider	241.80	239.20	239.20	241.80
Ste Generale	555	546	550	548
St Gobain	667	660	660	667
St Louis	1414	1392	1413	1400
Suez	199.70	197	199.50	199.40
Thomson CSF	136.80	134.50	135.10	133.10
Total B	374.90	371	373.70	370.50
UAP	104	102.20	102.20	103.20
Valeo	283.90	278.50	280.50	275.50

São Paulo
Bovespa Index: 57425.40 Previous: 56878.80

	High	Low	Close	Prev.
Bco Brasil Pfd	9.20	9.00	9.05	9.00
Banespa Pfd	3.85	3.70	3.710	3.760
Bradesco Pfd	11.70	11.60	11.65	11.65
Brahma Pfd	597.00	595.00	595.00	595.00
Cemig Pfd	26.70	26.10	26.30	26.10
CESP Pfd	26.00	25.80	25.80	25.50
Eletrobras B	261.00	250.00	261.00	252.00
Itaubanco Pfd	404.99	403.00	404.00	402.00
Light	328.00	324.00	328.00	322.00
Paranapan Pfd	10.70	9.86	9.86	10.20
Petrobras Pfd	124.00	121.50	122.50	122.50
Sid Nacional	25.25	24.81	25.10	24.89
Souza Cruz	7.20	7.07	7.12	7.05
Telebras Pfd	64.80	63.60	64.50	64.10
Telesp Pfd	212.00	209.00	210.00	210.00
Usiminas Pfd	1.09	1.070	1.060	1.080
CVRD Pfd	21.20	20.600	21.80	20.45

Seoul
Composite Index: 903.09 Previous: 898.56

	High	Low	Close	Prev.
Daewoo Heavy	7980	7700	7980	7800
Hyundai Eng	41000	39800	39800	40300
Hyundai Motor	33900	33200	33300	33100
Korea El Pwr	30500	30000	30200	30000
Korea Mob Tel	775000	745000	759000	759000
LG Electronics	22200	21300	21700	21400
Pohang Iron St	55000	53700	54200	53900
Samsung Elec	69000	68000	69000	65100
Samsung Hvy	14300	14000	14100	14000
Yukong	24900	24300	24500	24500

Stockholm
SX 16 Index: 2106.51 Previous: 2087.80

	High	Low	Close	Prev.
AGA BF	115	106.50	115	106.50
Asea AF	700	691	695	699
AssiDoman F	152.50	151	152.50	152
Astra AF	308.50	305	307.50	304
Atlas Copco AF	125	123.50	125	124
Avesta F	69.50	68	68.50	68
Electrolux BF	343.50	337	343	339.50
Ericsson BF	151.50	147	150.50	147.50
Hennes BF	495	485	495	485
Incentive AF	345	340	345	344
Investor BF	248.50	245.50	246	246
Kinnevik BF	191	185	187	189.50
MoDo BF	175	172	172.50	172
Sandvik BF	149	148	149	148.50
SCA BF	134	129.50	132	130
S-E Banken AF	53	52.50	53	52.50
Skandia Fors F	172.50	171	171.50	171.50
Skanska BF	219.50	217.50	219	216.50
SKF BF	152.50	151	151.50	151.50
SSAB BF	86.50	84	86	85
Stora AF	91	88.50	89.50	89.50
Sv Handles AF	139	138	138.50	139
Sydkraft AF	147	146	146	150
Trelleborg BF	87	85.50	86	85.50
Volvo BF	144	142	142.50	141.50

Sydney
All Ordinaries: 2266.10 Previous: 2253.30

	High	Low	Close	Prev.
Amcor	8.60	8.53	8.55	8.57
ANZ Bkg	5.84	5.76	5.76	5.79
BHP	19.02	18.85	18.90	18.92
Boral	3.29	3.23	3.29	3.22
Brambles Ind.	17.60	17.52	17.60	17.55
Burns Philp	2.45	2.41	2.43	2.39
CBA	10.34	10.18	10.20	10.28
CC Amatil	13.70	13.45	13.65	13.45
Coles Myer	4.60	4.56	4.58	4.55
Comalco	7.40	7.20	7.35	7.20
CRA Ltd	20.48	20.25	20.31	20.22
CSR	4.59	4.55	4.57	4.56
Fosters Brew	2.29	2.26	2.28	2.27
GIO Australia	3.09	2.99	3.08	2.98
Goodman Fld	1.30	1.27	1.30	1.30
ICI Australia	10.85	10.65	10.80	10.60
John Fairfax	2.77	2.73	2.77	2.73
Lend Lease	19.85	19.50	19.60	19.80
Mayne Nickless	7.39	7.25	7.37	7.28
MIM Hdgs	1.78	1.76	1.78	1.76
Nat Aust Bank	11.92	11.74	11.75	11.86
News Corp	7.87	7	7.03	7
North Ltd	3.67	3.61	3.61	3.65
Pacific Dunlop	2.77	2.71	2.71	2.72
Pioneer Intl	3.86	3.76	3.84	3.77
Placer Pacific	2.15	2.09	2.12	2.10
Santos	4.46	4.36	4.42	4.35
Southcorp	3.24	3.17	3.22	3.18
Wesfarmers	7.55	7.45	7.53	7.44
Wstrn Mining	9.49	9.37	9.49	9.35
Westfield Trt	2.17	2.14	2.15	2.15
Westpac Bkg	5.90	5.84	5.85	5.86
Woodside Pet	7.30	7.17	7.17	7.17
Woolworths	3.16	3.12	3.13	3.13

Taipei
Stock Market Index: 5966.82 Previous: 5892.92

	High	Low	Close	Prev.
Asia Cement	50.50	48.40	49.30	48.40
Cathay Life Ins	172	167	172	166
Chang Hwa Bk	148	144	146.50	143.50
China Steel	26.90	26.30	26.30	26.40
China Trust	52	50.50	51	50
Evergreen	46.10	44.50	45.50	44.50
Far East Text	28	26.90	27.40	26.80
First Bank	147	144	145.50	143
Formosa CF	29	27.80	28	28.10
Hwan Nan Bk	132	129	131.50	128.50
Hualon Teijran	22.50	22.10	22.10	22.30
ICBC	85.50	83	84.50	82.50
President Ent	39.40	38	38.70	38
Taiwan Cem	55	53.50	54.50	53
Tatung	54.50	53	53.50	53

Tokyo
Nikkei 225: 21956.19 Previous: 21886.35

	High	Low	Close	Prev.
Ajinomoto	1300	1280	1300	1290
All Nippon Air	1190	1160	1160	1170
Asahi Bank	1310	1280	1300	1280
Asahi Chem	795	784	784	792
Asahi Glass	1300	1280	1300	1300
Bk Tokyo Mitsu	2560	2520	2560	2580
Bk Yokohama	925	909	925	896
Bridgestone	1890	1880	1880	1880
Canon	2130	2100	2120	2100
Chiba Bank	940	930	939	932
Chubu Elec	2520	2510	2510	2510
Chugoku Elec	2460	2440	2440	2440
Daiei	1330	1300	1320	1310
Daiichi Kang	2000	1950	1950	1930
Daiwa Bank	797	794	795	796
Daiwa House	1660	1640	1650	1640
Daiwa Sec	1480	1440	1450	1480
Fanuc	4240	4190	4220	4200
Fuji Bank	2350	2330	2350	2330
Fuji Photo	3360	3300	3360	3310
Fujitsu	985	975	980	975
Hitachi	1010	995	1000	989
Honda Motor	2630	2600	2600	2610
IBJ	2780	2730	2780	2750
IHI	504	494	496	496
Itochu	777	763	776	763
Ito-Yokado	6230	6020	6130	5920
JAL	875	863	871	861
Jusco	3200	3150	3200	3140
Kajima	1140	1120	1130	1120
Kansai Elec	2490	2450	2490	2460
Kao	1440	1400	1440	1410
Kawa Steel	402	399	400	400
KDD	10300	9910	10100	9850
Kinki Nipp Ry	804	790	799	796
Kirin Brewery	1370	1340	1340	1360
Kobe Steel	301	297	298	295
Komatsu	1040	1020	1030	1040
Kubota	723	717	722	715
Kyocera	7500	7400	7400	7300
Kyushu Elec	2610	2590	2600	2600
LTCB	880	870	874	870
Marubeni	596	589	589	587
Marui	2230	2180	2220	2180
Matsu Elec Ind	1870	1850	1860	1860
Matsu Elec Wk	1160	1150	1150	1160
Mitsubishi	1480	1460	1480	1450
Mitsubishi Ch	538	530	534	526
Mitsubishi El	748	735	740	743
Mitsubishi Est	1520	1510	1510	1510
Mitsubishi Hvy	932	926	929	927
Mitsubishi Mat	910	905	907	903
Mitsubishi Tr	1800	1770	1800	1790
Mitsui	1010	992	995	992
Mitsui Fudosn	1390	1370	1370	1370
Mitsui Trust	1200	1170	1190	1180
Murata Mfg	3910	3900	3900	3890
NEC	1190	1170	1190	1160
New Oji Paper	951	943	943	947
Nikko Sec	1200	1190	1190	1200
Nintendo	7980	7910	7930	7900
Nipp Credit Bk	406	404	404	405
Nipp Express	1080	1070	1080	1080
Nippon Oil	719	712	715	715
Nippon Paper	725	716	725	715
Nippon Steel	368	364	367	365
Nippon Yusen	634	625	634	625
Nippondenso	2330	2280	2330	2270
Nissan Motor	896	870	889	897
NKK	321	315	316	315
Nomura Sec	2060	2040	2040	2050
NTT	8080a	7840a	7860a	7780a
Obayashi	994	985	994	987
Odakyu El Ry	732	719	722	720
Ono Pharm	3770	3710	3770	3700
Osaka Gas	425	420	421	422
Ricoh	1110	1090	1090	1100
Sakura Bk	1180	1160	1180	1160
Sankyo	2570	2520	2560	2570
Sanwa Bank	2100	2050	2080	2060
Sanyo Elec	646	636	643	646
Secom	7030	6960	7000	7000
Seibu Rwy	5900	5660	5710	5710
Sekisui House	1270	1250	1270	1260
Seven-Eleven	6800	6500	6590	6480
Sharp	1780	1760	1760	1780
Shimizu	1260	1230	1240	1220
Shin-etsu Ch	2180	2140	2160	2170
Shizuoka Bk	1430	1400	1400	1410
Sony	6900	6870	6870	6870
Sumitomo	1220	1200	1200	1210
Sumitomo Bk	2140	2100	2130	2080
Sumit Chem	545	540	540	540
Sumitomo Elec	1490	1470	1470	1470
Sumit Metal	333	328	333	329
Sumit Trust	1510	1490	1500	1510
Taisei	821	810	815	809
Taisho Pharm	2420	2370	2410	2400
Takeda Chem	1810	1790	1790	1790
TDK	6200	6150	6150	6180
Tohoku El Pwr	2520	2420	2460	2520
Tokai Bank	1360	1330	1350	1340
Tokio Marine	1410	1400	1400	1400
Tokyo El Pwr	2790	2750	2770	2740
Tokyo Gas	409	401	409	403
Tokyu	822	809	809	824
Tonen	1620	1600	1600	1610
Toppan Print	1540	1520	1540	1530
Toray Ind	744	730	730	740
Toshiba	764	751	751	762
Toyo Seikan	3890	3800	3860	3890
Toyo Trust	1030	1000	1030	991
Toyota Motor	2490	2470	2470	2450
Yamaichi Sec	780	775	780	778
Yamanouchi	2380	2300	2330	2390
Yasuda Fire	810	801	804	804
Yasuda Trust	654	645	654	635

a: x 100

Toronto
TSE Industrials: 5246.40 Previous: 5225.38

	High	Low	Close	Prev.
Abitibi Price	18¾	18½	18.70	18¾
Air Canada	5	4.95	4.96	4.96
Alberta Energy	25.95	25.80	25.95	25.90
Alcan Alum	45.10	44.65	44.90	44.85
Avenor A	22¾	22.60	22.65	22.60
Bk Nova Scotia	33.10	32.95	32.95	33.05
Barrick Gold	43.35	42.70	43.20	42.70
BCE	54.70	54.55	54.60	54⅝
BC Telecomm	26.40	26.30	26.40	26.40
Bombardier B	19.20	19.10	19.20	19.15
Brascan A	27	26.85	27	27
Cameco	69⅛	68⅝	69.45	68¾
CIBC	45.80	45½	45.60	45⅝
Cdn Airlines	3.15	3.05	3.10	3.05
Cdn Nat Res	23½	23¼	23.35	23.40
Cdn Occid Pet	24	23.90	23.90	24
Cdn Pacific	28⅛	27.80	28.15	27½
Cominco	31.10	30.60	31.05	30.40
Consumers Gas	21.10	21.10	21.10	21.10
Dofasco	21.10	20.90	20.90	21.05
Domtar Ind B	9¾	9¾	9¾	9¾
Du Pont Cda A	30⅛	30	30	30
Echo Bay Min	18⅛	17.85	18.10	17.90
Empire Co. A	13	13	13	13
Falconbridge	30.80	30.60	30.80	30.60
Fletcher Chall A	18½	18⅛	18.40	18.40
Franco Nevada	94	89⅞	94	89⅞
Guardian Cap A	9½	9	9½	9½
Hemlo Gold	17.70	16.90	17.65	16.95
Horsham	20.30	19.85	20.30	19¾
Imperial Oil	59.85	59.40	59.70	59.70
Inco	44.85	44½	44¾	44.70
IPL Energy	33.85	33.70	33.80	33.80
Laidlaw A	13.95	13.95	14	13.95
Laidlaw B	13.95	13.80	13.80	13.95
Loewen Group	39¾	39¼	39.40	39¾
Ldn Insur Gp	28.60	28.55	28.60	28.55
Macmill Bldl	17⅛	17.05	17.15	17.15
Magna Intl A	66.30	65.85	66	66⅛
Maple Leaf Fds	7.40	7.30	7.40	7.35
Moore	25.65	25.40	25.60	25.65
Newbridge Net	97¼	95.30	97½	95.70
Noranda Inc	29.70	29⅛	29.45	29.55
Noranda Forest	9.10	9	9.05	9.05
Norcen Energy	22½	22.35	22.40	22.35
Nthern Telecom	75	74	74.65	75
Nova	13.30	13.10	13.15	13.15
Onex	13.45	13.35	13.45	13.35
Placer Dome	40.40	39⅝	40.15	39⅝
Potash Sask	91.40	91.10	91¼	90½
Provigo	7.65	7.55	7.55	7⅝
Quebecor Print	23.10	23	23	23.10
Renaissance	36.90	36.20	36.20	36.60
Rio Algom	28.05	27½	28	27.60
Seagram Co	47.60	47½	47.40	47½
Stone Consold	16.35	16¼	16.35	16.30
Talisman Eny	32.90	32¾	32.85	32.95
Teleglobe	20½	20.40	20½	20½
Telus	18¼	18.15	18.20	18.20
Thomson	22.45	22.35	22.45	22.45
TorDom Bank	25	24¾	24¾	24.90
Transalta	14.80	14.70	14.70	14.80
TransCda Pipe	19.85	19.70	19¾	19.85
Utd Dominion	32.45	32.35	32.45	32.45
Westburn	9⅛	9.70	9.70	9⅝
Westcoast Eny	20.65	20.30	20.40	20.65
Weston	47	46½	46½	47

Vienna
ATX Index: 1130.11 Previous: 1129.96

	High	Low	Close	Prev.
Aust Airlines	1940	1940	1900	1900
Brau-Un Goess	701	699	701	699
Bund Vers Pfd	378	378	490	490
Creditanst PC	1485	1485	1490	1490
EA-Generali	3520	3490	3520	3500
EVN	1575	1546	1562	1546
Interunfall	1600	1600	1560	1560
Lenzing	729	724	729	723
Leykam	329	322	324	329
Mayr-Melnhof	481	468	481	470
OEMV	1110	1095	1110	1097
Oest Brau-Bet	619	607	619	607
Oest Elektriz	822	816	821	816
VA Tech	1406	1401	1406	1400
Wienerberger	2228	2218	2228	2225

Wellington
NZSE-40 Index: 2045.81 Previous: 2048.01

	High	Low	Close	Prev.
Air N Zeald B	3.34	3.27	3.27	3.31
Brierly Invt	1.31	1.29	1.31	1.30
Carter Holt ord	3.21	3.19	3.21	3.22
Fernz	4.35	4.33	4.33	4.35
Fisher Paykel	4.35	4.33	4.33	4.35
FC Forest	1.90	1.88	1.89	1.90
Goodman Fder	1.52	1.50	1.52	1.50
Indep News	4.86	4.85	4.86	4.85
Lion Nathan	3.57	3.55	3.55	3.55
Nat Gas note	1.90	1.89	1.90	1.90
NZ Refining	25.35	25.30	25.35	25.30
Telecom NZ	5.99	5.97	5.98	5.97
Trust Bk NZ	2.22	2.22	2.22	2.23
Wilson Horton	9.42	9.40	9.42	9.42

Zurich
SPI Index: 2299.26 Previous: 2287.34

	High	Low	Close	Prev.
Adia B	292	289	290	288
Alusuisse R	984	975	983	977
Ares-Serono B	969	968	968	965
Baer Hdg B	1335	1325	1330	1330
Baloise Hdg R	2750	2710	2710	2740
ABB B	1501	1495	1496	1501
Bk Vision	1418	1405	1418	1408
Bobst B	1810	1785	1800	1785
Ciba Geigy R	1389	1377	1377	1378
CS Holdings R	108	107.50	108	107.50
Elektrowatt B	472	468	472	470
Fischer B	1460	1450	1450	1455
Hilti PC	920	905	910	910
Holderbank B	963	945	960	944
Merkur Hdg R	273	269	270	269
Nestle R	1413	1408	1410	1408
Oerlikon R	131	129	130	129.50
Pargesa Hld B	1490	1485	1485	1485
PharmVisn B	5720	5680	5700	5650
Pirelli B	169	167	169	166
Roche Hdg PC	9605	9540	9600	9505
Sandoz R	1306	1297	1298	1298
SBC R	222.75	221.75	222.50	221.25
Schindler B	1340	1330	1335	1340
SGS B	2820	2800	2820	2800
SMH B	868	833	855	828
Sulzer R	804	795	795	793
Swiss Reins R	1218	1205	1208	1203
Swissair R	1235	1220	1235	1225
UBS B	1191	1169	1172	1173
Winterthur B	740	736	737	734
Zurich Assur R	330	326	330	323

NYSE

Friday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

Continued on Page 14

Megastores Rock 'n' Roll Into Asian Markets

Changing Musical Tastes Spark Rapid Growth

By Richard Covington
Special to the Herald Tribune

HONG KONG — Music and video megastores are plunging into the burgeoning Asian market, and their presence is helping transform musical tastes and buying habits of the region.

HMV, Tower Records, Virgin and local distributor KPS are planning to expand their reach from Tokyo to Sydney, angling for a portion of the $10 billion Asian music industry.

In contrast to the depressed American market, where some music outlets are on the verge of bankruptcy and fighting a campaign against discounters, Asian branches are mushrooming and replacing the storefront shops that dominated sales as recently as two years ago.

Last week, Tower Records opened stores Bangkok and Seoul — bringing its total to 44 outlets in the region.

HMV, a division of the British music conglomerate Thorn EMI PLC, plans to expand in Asia within the next year, said Philip Kung, regional managing director for the chain. HMV has three stores in Hong Kong, 16 in Japan and 18 in Australia.

Virgin Retail, which has 15 stores in Japan, abandoned plans to open an outlet in Hong Kong but said it was investigating opportunities in other Asian territories.

Meanwhile, teenagers in Taiwan, flush with disposable income and quick to hop on the latest musical trend, jam into the superstores run by Tower and KPS Retail Stores Ltd., a Hong Kong-based chain with 27 branches.

"These superstores have thoroughly altered musical tastes and buying patterns," said Xavier Roy, chief executive of Reed Midem Organization, which organized the Midem Asia international music conference here recently.

Joseph Lee, a producer for Friendly Dogs, a local recording label, said at the conference, "Kids will drive 100 miles just to go to these stores."

The record shops in outlying towns are tiny, Mr. Lee said, and might stock only a few hundred titles of mostly domestic pop hits — not like large chains, which carry international labels.

The music-buying public can still stock up at small storefront shops, sidewalk vendors, and, in the Philippines at least, inside bars where local distributors hawk compact discs and audio cassettes.

But the move toward superstores that overflow with Western and Asian music is well under way, even in countries such as Korea, Indonesia and Malaysia, where censorship still casts a pall over imports. In Korea, Tower has the lyrics of every imported title translated into Korean to pass censors and to attract customers who still overwhelmingly favor locally produced music.

Asian consumers account for more than a fourth of global sales in the $39.7 billion music business, according to industry figures, and their increasingly sophisticated musical appetites are driving the competition among the large retail chains. The Japanese market alone generates some $7.5 billion in record sales.

Apart from the massive piracy that undercuts profits, the chains complain of another adversary — the major record companies. Retailers say the record labels have been slow to supply the explosive demand, purposely limiting imports and failing to take advantage of the Asian market's growing taste for jazz, classical and alternative repertoire.

"The distributors in Singapore warned us how conservative tastes were, then we would see customers buying up armloads of CDs of jazz, classical, jungle music — styles they never bought simply because they never had the access before," said Keith Cahoon, Asia managing director for Tower Records.

To lure customers, the superstores launch promotional band tours, stage in-store guest appearances and issue charts listing the top-selling albums. One Tower branch in Tokyo has a performing stage with 2,000 seats inside a complex.

In spite of the boom in music buying, the major distributors consistently underestimate their customers and continue to miss out on potential revenue by holding back on the supply of albums, representatives from various retail chains said.

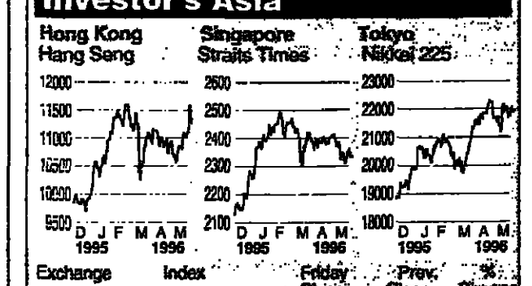
"We are in a constant fight with the record companies who insist that Asians are not going to buy the kind of music we know they want," Mr. Cahoon said. "When we first opened in Hong Kong, our top-selling album was by pop punk group Alice in Chains."

Even when Western groups such as the Beastie Boys and Sonic Youth tour the region, distributors often run out of stock of their albums, Mr. Cahoon said.

Doing business is further complicated by a highly technical set of restrictions on imports. In Taiwan and elsewhere, record chains must acquire their stocks from wholesalers designated by the record companies. The practice, known as parallel importing from wholesalers elsewhere in the region, is illegal and regarded as a form of import piracy.

Hong Kong is considering similar restrictions, a move the chains are determined to fight, said Garrie Roman, managing director of the KPS stores.

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	11,264.79	11,571.10	-2.65
Singapore	Straits Times	Closed	2,332.91	-
Sydney	All Ordinaries	2,266.10	2,253.30	+0.57
Tokyo	Nikkei 225	21,956.18	21,886.35	+0.32
Kuala Lumpur	Composite	Closed	1,141.07	-
Bangkok	SET	Closed	1,311.91	-
Seoul	Composite Index	983.09	978.56	+0.50
Taipei	Stock Market Index	5,966.82	5,892.92	+1.25
Manila	PSE	3,250.26	3,286.30	-1.10
Jakarta	Composite Index	Closed	617.242	-
Wellington	NZSE-40	2,046.81	2,048.01	-0.11
Bombay	Sensitive Index	3,724.97	3,700.82	+0.66

Source: Telekurs International Herald Tribune

Very briefly:

• Japan's national and local governments, its highway authority and seven automakers were sued by a group of 102 Tokyo residents seeking 2.06 billion yen ($19.1 million) in damages for respiratory ailments due to air pollution. The companies are **Toyota Motor Corp.** and its truck affiliate, **Hino Motors Ltd.**; **Nissan Motor Co.** and its affiliated truckmaker, **Nissan Diesel Motor Co.**; **Mitsubishi Motors Corp.**, **Mazda Motor Corp.** and **Isuzu Motors Ltd.**, an affiliate of **General Motors Corp.**

• **Sony Corp.** will cut the price of its digital Mini Disks to $8.50 from $10 in certain U.S. markets in an effort to revive flagging sales.

• **Seven Network Ltd.** extended the deadline for its purchase of **Golden West Network Ltd.** so it could continue talks with Australia's antitrust regulator.

• **LG Semicon Co.**, a unit of **LG Group** of South Korea, will slash production of 16-megabit dynamic random-access memory chips by 20 percent in an effort to shore up prices.

• **PT Telkom's** first-quarter net income rose 56 percent, to 307.2 billion rupiah ($131.8 million), on a 35 percent jump in the number of telephone lines.

Names, names, names...

• **Robert Denham**, chairman and chief executive of Salomon Brothers Inc., and **Gordon Wu**, managing director of Hopewell Holdings Ltd., were among the executives named as advisers to the Asia-Pacific Economic Cooperation forum. Also named were **Yao Jinrong**, executive director China International Trust & Investment Corp.; **Abdul Rachman Ramly**, chairman of PT Astra Internasional of Indonesia, and **Minoru Murofushi**, chief executive of Itochu Corp.

• **Richard Hammond** was named managing director of Adelaide Brighton Ltd., replacing Mike Davey, who is retiring.

• **Masayoshi Kabai** was named president of Nippon Housing Loan Co.

Reuters, AFP, Bloomberg, NYT

KPMG Buys Leader In Indian Accounting

By Reed Abelson
New York Times Service

As part of an effort to expand its global reach, KPMG has signed a letter of intent to acquire the largest accounting and consulting firm in India, A.F. Ferguson & Co.

Terms of the deal were not disclosed.

Ferguson has roughly 850 employees and 10 offices. Its clients include some of the foremost companies in the country, including Tata Group.

While not KPMG's first foray into India, the acquisition makes the company the largest in a potentially huge market.

"It's got a vibrant business environment," said Ross Walker, an international executive partner for KPMG in Amsterdam. "A tremendous number of worldwide clients are interested in that market."

Including current operations, KPMG will have 10 offices and 1,100 employees in India. The operations have total sales of roughly $13 million, Mr. Walker said.

"It's growing very quickly," he said.

The acquisition is in keeping with KPMG's strategy of developing a worldwide network of offices.

KPMG, based in Amsterdam, is the second-largest accounting and consulting firm in the world behind Arthur Andersen. Worldwide sales are $7.5 billion.

"The big step is linking up globally," said Jon C. Madonna, the worldwide chairman and chief executive of KPMG.

Mr. Madonna will give up the U.S. portion of his duties in October to focus on global operations. He said his goal was to coordinate the efforts of the company's 1,100 offices in 837 cities in 145 countries.

Japan Joblessness Back at High

Compiled by Our Staff From Dispatches

TOKYO — Japan's jobless rate returned to its record high of 3.4 percent in April, the government said Friday, as a tide of March graduates — especially women — were unable to land jobs.

But many analysts said the problem had peaked and that economic recovery should start to trim the ranks of unemployed.

The April figure, compared with 3.1 percent in March, was the rate it peaked at from November through January and the highest rate since 1953, when Japan began compiling statistics using with its present methods.

'As a result of the economy, people wanted to leave their companies voluntarily to find better jobs.'

The number of unemployed climbed to a record 2.35 million, a rise of nearly 10 percent from the year-ago period.

"The recovery isn't going to be easy," said Shusei Tanaka, director-general of the Economic Planning Agency. "I feel for the graduates who can't find jobs."

The jobless rate for women rose to 3.7 percent from 3.0 percent in March, not only a record high but also the largest monthly increase ever. The rate for men increased 0.1 percentage point, to 3.3 percent.

Among women under age 25, 7.4 percent were unemployed. For men under 25, 7.0 percent were jobless.

An official with the Management and Coordination Agency maintained that the higher rate among women was a reflection of improving economic conditions, saying they might have encouraged many women to quit their jobs and begin searching for better work.

Economists played down the relapse to the record high, noting that another closely watched figure, the jobs to applicants ratio, remained at 0.67.

The figure is calculated based on the number of applicants who apply for job offers posted at employment offices — or 20 percent of the total job market. The current figure, unchanged for three months, indicates there were 67 jobs offered for every 100 applicants.

"As a result of the improvement in the economy," said Satoshi Shimamoto, a senior economist at MMS International, "people wanted to leave their companies voluntarily to find better jobs."

Separately, the government said Tokyo's core consumer price index — which excludes fresh foods — rose 0.2 percent from a year earlier, the biggest increase in 14 months. The index had been flat or falling for most of the previous 12 months. *(Bloomberg, Reuters)*

STREET: NYSE Battles Obscure Market, and the Stakes Are High

Continued from Page 9

he will sell the stock at $20.125 or more, pocketing the difference as compensation for the risk of owning the stock.

Your broker, meanwhile, has made only a commission, ranging from $25 to $150 for the 500 shares.

On the other hand, if your broker sends the order to Cincinnati — and it is usually the broker's choice, not yours — the broker suddenly becomes the specialist as well. Under the Cincinnati exchange's rules, a brokerage can serve as a specialist in hundreds of stocks.

But the status of a broker as a specialist differs from his Big Board counterpart in one important respect: The broker usually does not act as a matchmaker, but simply sells shares the brokerage owns.

The broker can't just make up a price, of course. At the very least, the broker must match the best offer to buy or sell that is being posted nationwide at that time.

But the broker gets to pocket the 12.5-cents-a-share markup, or spread. On 500 shares, that would be $62.50.

That may not sound like much, but on 1.8 billion shares — the number traded last year on the Cincinnati exchange — it adds up to $225 million. While the brokers contend they deserve the money as a reward for their risk, Cincinnati's critics retort that the risk is minuscule.

The Big Board argues — and has academic papers to prove — that when investor orders are traded on Cincinnati, they lose something important: a one-in-four chance to get a better price than the current quote.

That happens in New York when specialists execute trades at better-than-market prices — something officials say occurs in 28 percent of the trades on the New York exchange.

That position is buttressed by the biggest brokerage firm on Wall Street, Merrill Lynch & Co., which says its customers gain about $50 million a month because the firm now sends small orders for Big Board stocks only to New York.

Some financial market specialists say that the refusal of big investors — mutual funds, pension funds and the like — to trade in Cincinnati makes them skeptical that the exchange really does not harm small investors.

On the other side is Cincinnati, arguing that investors do just as well on its exchange as they do any place else, and that traders there sometimes get better prices than the quote.

It, too, offers academic backing.

Two professors who have studied various trading programs, Robert Jennings of Indiana University and Robert Battalio of Notre Dame, say that prices overall for stocks that are traded at Cincinnati seem to have gotten better, not worse, since its program began.

Furthermore, Cincinnati asserts that investors have benefited from the competitive threat it poses.

For example, the New York Stock Exchange no longer charges a fee on small trades, "and as night follows day, that wouldn't have happened without our competition," said Frederick Moss, chairman of the Cincinnati Stock Exchange.

FORECAST: Contrarian View

Continued from Page 9

In most computer simulations of the economy that lie behind nearly all forecasts, prices are sticky: In other words, they tend not to respond to changes in supply and demand.

In Mr. Hokenson's economic world, sellers will respond to falling demand not by cutting production but by cutting prices.

This, he says, is due in part to the fact that retailing is so competitive. But mostly, he suggests, it is because manufacturers are living in an environment of rising fixed costs and falling marginal costs.

Just as airlines would rather get $25 for a ticket sold at the last minute than fly with an empty seat, manufacturers have strong incentives to sustain production during lean times by cutting prices.

In Mr. Hokenson's recession scenario, falling demand led by consumer durables will reduce the total output of goods and services by 2.7 percent between December 1996 and September 1997. But the recession should be relatively brief — nine months, compared with the postwar average of 11 months. Since corporations will struggle to use their productive capacity, unemployment should peak at around 7 percent, compared with 5.4 percent now.

The biggest shock in the forecast would be the 1 percent deflation in 1997 that Mr. Hokenson predicts, down from a 3 percent inflation rate expected in 1996. He forecasts that the Fed will allow the federal funds rate — the rate banks charge each other on overnight loans — to slip to just 1.75 percent, while the 30-year Treasury bond rate bottoms out at 4.25 percent. With producers unable to sustain margins, profits would fall by 40 percent, leading, in his forecast, to a 40 percent decline in stock prices.

If you believe Mr. Hokenson is right, then, sell stocks and buy high-quality bonds.

But beyond the immediate shock to the markets, Mr. Hokenson's world is one in which stockholders bear the risk of recessions instead of workers and the productive capacity wasted during economic downturns is minimized.

Should one take this forecast seriously? Robert J. Gordon, an economist at Northwestern University, argues that a recession caused by demographic changes is "inherently improbable" because they are likely to be anticipated by both producers and policymakers.

He also dismisses the assertion that flexible prices will buffer the impact of demand shocks on employment, noting that the shift toward labor-intensive services reduces business incentives to sustain output in the face of falling demand.

BOOM: Will They Save or Sell?

Continued from Page 9

put your money somewhere, we will probably be it."

Samuel L. Hayes 3d, professor of finance at the Harvard Business School, said, "I do not expect investors to automatically move their money out of the stock market and put it into fixed-income and other securities." Retirees in the 21st century will be anticipating another 20 years or so on the planet, he said, "and I think there is an increasing awareness that if you have a horizon of a minimum of seven or eight years, you are better off leaving the money in equities."

Bradford Cornell, professor of finance at the Anderson Graduate School of Management at the University of California at Los Angeles, said the current bull market had more to do with economic fundamentals — low inflation, low interest rates and healthy corporate earnings — than with the rise of baby boomer savings.

But Alfred F. Kugel, senior investment strategist at Stein, Roe & Farnham in Chicago, said the growth of mutual fund assets to $3 trillion meant "you have a whole new population of shareholders, and there is no easy way to tell how those people will react" to their changing circumstances.

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ORDRE DU JOUR

1. Rapports du Conseil d'Administration et du Réviseur d'Entreprises.
2. Approbation des comptes arrêtés au 31 mars 1996 et fixation du dividende.
3. Décharge aux Administrateurs.
4. Ratification de la cooptation d'un Administrateur.
5. Réélection d'Administrateurs et nomination d'un Administrateur.
6. Divers.

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(Continued)

Herald Tribune INTERNATIONAL

MONEY

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FIRST COLUMN

When in Doubt, Shout It Out

FORGET religion and politics: When it comes to hot topics of conversation, most families would agree that nothing brings them to the boiling point like money. It is the No. 1 subject of disputes between married couples in the industrialized world, according to social scientists. Not surprisingly, it is often the subject that engaged couples never quite get around to discussing.

Why is it that people who can share intimate details of daily life balk at talking frankly about issues like budgets and credit and savings? Part of the problem may lie in the fact that men and women take different approaches to investing. As Ann Brocklehurst reports this week, a recent study showed that women are more reluctant than men to commit their money, but they are also more likely to stick with their investment decisions once they are made. This means that women may do a better job than men of preserving capital — but they also may be missing out on the kinds of gains that are possible by taking a few risks.

With families needing to sock away six-figure sums for a college education, and maybe seven figures for retirement, financial issues should be talked about early and often — especially if they are likely to highlight differences in investment philosophy, and even if that means an occasional knock-down drag-out fight. To paraphrase Woody Allen on another hot topic, financial planning is dirty — if you do it right.

A.B.

Financial Planning

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Why gender makes a difference
Trawling the Internet
Beefing up a retirement plan
Funds: Portfolio management

How Nuclear Families Can Avoid a Financial Meltdown

By Aline Sullivan

THE smiling faces of the typical nuclear family can hide enormous financial strain. Paying off the mortgage, saving for school fees, planning pensions: The parents of two dependent children face rapidly accelerating demands on their resources.

The existence of innumerable financial products to cater to these needs — both real and imagined — may add to the strain.

To listen to many financial advisers, the nuclear family requires a vast array of insurance and investment products just at the time when the parents' incomes are likely to be most stretched.

Deciding what should take precedence is a matter of individual choice. Many families focus on approaching school bills, hoping that an eventual inheritance will help finance their retirements. Others make owning their home their first objective.

Few breadwinners would question the need for adequate insurance to protect their dependents after their death or disability, although a surprisingly high proportion of parents are underinsured.

Among financial advisers on both sides of the Atlantic, the general consensus appears to be that 35-year-olds should allocate 5 percent to 10 percent of their income to insurance products and 45-year-olds as much as 15 percent.

"Before we even start talking to a client about pensions and investments, we make sure that family protection is in place," said Robert Guy, technical director at John Charcol Independent Mortgage and Financial Advisors in London. "Families need to be able to replace at least one third of their income plus clear their mortgage if the breadwinner dies. They may also need separate cover for school fees."

The nuclear family should also consider buying private medical insurance and a permanent health or critical illness policy, Mr. Guy said. And the greater the disposable income, the higher the cost will be to maintain their standard of living if that income ceases. "After the age of 35 most people should be spending at least 10 percent of their income on insurance," he said.

Pensions are usually next on the financial adviser's checklist. In many countries they offer the most tax-efficient method of saving because governments are anxious to wean citizens from state-provided social security. But a surprising number of people are still loath to make any substantial commitment to financing their retirement.

"We try to bring pension plans up our clients' priority scale because most people don't save enough or they chose straightforward savings products that they end up dipping into," Mr. Guy said. "Most families should be saving about 15 percent of their gross income for retirement unless they have a really good occupational plan. Perhaps we are overly cautious, but we never hear retired people say that they wish they had saved less."

Roger Curtis, a director at London-based financial consultants Provecta Ltd., observed that most people are reluctant to commit money to funds they can not access for years. Moreover, many expect that a future inheritance will relieve them of at least some of their pension burden. Of course, taxes or nursing charges could eat up much of that inheritance.

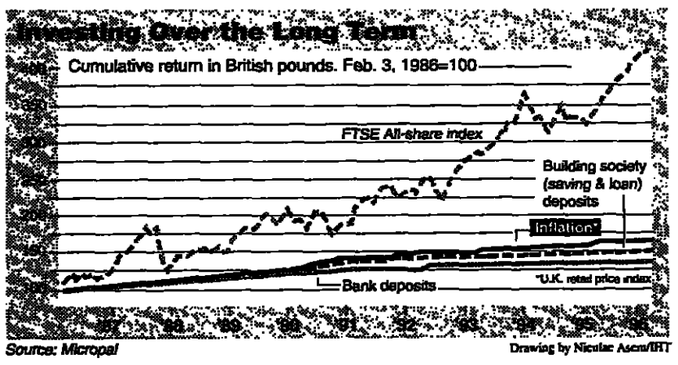
"Deciding how much to save for a pension is like drawing a very fine line," Mr. Curtis said. "It may be that an individual's priority is to pay for school fees and that he expects an inheritance later on. But you can never tell if there will be any money there when the time comes."

Mr. Curtis advised individuals or couples under age 40 to save between 10 percent and 15 percent of their current income for retirement but to consider fairly aggressive investments. "Once you hit 40 that exposure to risk should be gradually reduced and the proportion of savings should be raised," he said.

In the current low-interest-rate environment, few financial advisers would recommend that young families devote a substantial portion of their resources to paying off their mortgage or to interest-bearing investments.

Instead, they should consider tax-advantageous savings plans, such as the British Personal Equity Plan, or mutual funds. In general, savings apart from pensions should total some 10 percent of their income, the advisers said.

All told, adequate spending on insurance, pensions and savings would leave the nuclear family with about 65 percent of its income to finance the mortgage, school fees, food and clothing.



Not surprisingly, many find themselves unable to manage and hope instead that the growth from their investments will make up any shortfalls.

That strategy just may pay off. Certainly, insurance and retirement provisions form the backbone of any solid financial plan. But many young families can be steered into products that offer perhaps more security than necessary at their age at the expense of growth.

Insurance-backed investment products are the worst culprits. Paul Diesel, a director of the private banking division at the Bank of Boston, advises clients to stay clear of all but the most necessary forms of insurance.

"Insurance products are always the most conservative investments and shouldn't be in anyone's portfolio before they are at least 50 years old," he said. "There are plenty of other investments that can be tax-deferred and are suitable for pensions. Of course, anyone serious about planning a pension should also be investing after-tax income." In the United States, individuals can invest at least $2,000 a year tax-free into private pension plans.

"Insurance should be used for protection, not for savings," agreed David Wells, a consultant at London chartered accountants Binder Hamlyn. "Insurance products have their place but more sophisticated investors can achieve higher and more tax-advantageous returns with pension and mutual funds. It is a question of achieving the right balance."

Expatriate executives have the most to lose by playing it safe, since the value of their pensions and other savings may be eroded by tax or currency movements. Most financial advisers agreed that the long-term interests of these people are best served by offshore equity and fixed-income funds.

"The conventional wisdom is that advisers should warn clients as much as possible about risk," said Robin Dickens, a director at the private client division of London stockbrokers NatWest Securities. "But it should all boil down to the individual's perspective. Some people do find very-low-risk investments too pedestrian."

That observation was seconded by a spokeswoman at Fidelity Investments in Boston, who said that many people spend too much on insurance-based products rather than on pure investments. But she declined to comment further: Fidelity is a discount broker and does not offer investment advice. Instead it provides clients with worksheets to evaluate their financial objectives and attitudes to risk.

Most stock brokers and accountants are more than willing to offer advice, however. Several pointed out that equity investments have generally outperformed any other type of investment over five or more years, even for stationary savers.

Mr. Diesel at the Bank of Boston suggested the following guideline for people planning their own pension: "Take a hundred and subtract your age. What is left is the percentage of your investment portfolio that should be in equities. For example, a 40-year-old should have 60 percent of his portfolio devoted to equities. The rest should be in fairly aggressive bond funds."

Mr. Diesel advises U.S. clients to allocate between 5 percent and 10 percent of their equity investments to emerging market funds, a further 15 percent to international funds, and the remainder to U.S. stocks. "All fixed income investment should always be in your own currency because currency speculation should play no part in planning a pension," he said.

"More people should be encouraged to consider the stock market for any long-term savings," suggested Matthew Ore at London stock brokers Killick & Co. "The investment trust market is a gold mine and there are so many opportunities for people who want to control their own destiny."

Card Firms Slug It Out for New Clients

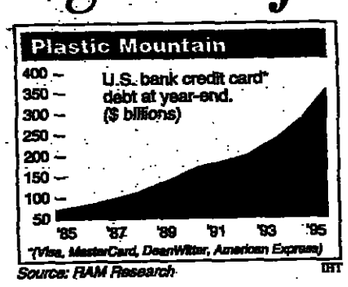
By Ann Brocklehurst

ONE financial rule that seems to have been made to be broken is, "Don't run up credit card debt." In the United States, the world's most credit-card-loving country, two thirds of card users carry a balance on their accounts — on which they must pay interest, often in double digits.

What is more, consumers are charging up more than ever, causing credit card balances to swell 26 percent to $361 billion at the end of last year, the highest rate of growth in 10 years.

This credit card spending boom is due not only to the increased acceptance of plastic in locales ranging from supermarkets to doctors' offices, but also to the intense competition among card issuers, hunting for customers in a saturated market. In 1995 some 3 billion offers for credit cards were mailed out to prospective clients, according to the Bankcard Holders of America, an independent consumers group.

So-called co-branded cards, which offer free air miles, discounts on new cars and much more, have given many consumers "a reason to charge groceries when they wouldn't normally run the risk of paying interest on Cheerios," says Robert McKinley, president of the RAM Research group of Frederick, Maryland. These co-branded cards and other straight rebate cards normally charge interest rates of at least 8.5 percentage points above prime and have proven a major success, he said.



As well, "teaser" rates offering interest charges of 6 percent to 7 percent before they shoot up by 8 to 10 percentage points six months or a year later have also convinced some users that they can afford card interest payments.

While consumers who carry a balance could save several hundred dollars a year by switching to a lower rate card, Ruth Susswein, executive director of Bankcard Holders, says they should look for one that lasts a year or more. Mr. McKinley agrees but cautions that too much card hopping could damage a credit rating.

He suggests that "revolvers," or customers who maintain balances, call the issuer of their credit cards and ask for a rate cut and the waiving of any special fees. Competition is so stiff, he said, that the issuer is almost certain to oblige.

Customers should also read the fine print on any new credit card and avoid those that are designated two-cycle, especially if they sometimes carry a balance and sometimes do not. Ms. Susswein explains that these cards calculate average interest payments for the last two months — meaning that clients can end up paying interest on charges that were promptly paid in full.

It is also common for people not to realize that they lose their grace period if they carry a balance, she said. Interest is automatically charged on all new purchases, usually from the day the customer walks out of the store. Many cards will automatically raise interest rates if a payment is late or, in some cases, if a consumer has run up a lot of debt on another card.

In their rush to offer new products to new clients, issuers are also going after markets they have traditionally ignored. "Retired, middle-class, 80-year-old consumers have been approved for $25,000 credit lines," says CardTrak. "Consumers fresh from bankruptcy court have been approved for generous unsecured credit lines with 29 percent interest rates. You don't need a Harvard MBA to understand this constitutes high-risk lending."

Cost-Averaging Gives a Smooth Save

By Digby Larner

PUTTING money aside regularly often conjures up images of caution and thrift, and of people building a pool of money as protection against rainy days ahead.

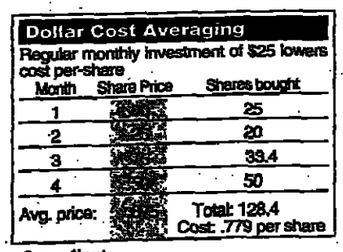
But for mutual fund investors, regular saving offers a host of benefits, even for those already secure enough financially not to worry about the future.

In some cases, those with lump sums to invest prefer trickling their money from an interest-bearing savings or checking account into a mutual fund, rather than investing directly. That way they can enjoy some of the advantages of regular saving — such as ready access to their money — while earning dividends and interest.

Regular savings plans are also convenient, especially for employees, because money can be invested straight from their paychecks.

The key benefit of regular savings, say fund managers, lies in the ability to exploit a technique known as cost-averaging. In the United States it is called dollar-cost-averaging, but the principle applies in any currency.

An investment of, say, $100 each month into a mutual fund will see the buying power of that cash rise or fall depending on how the mutual fund's underlying investments are performing.



If the market falls one month, the investor's $100 buys a bigger share of the fund than it had previously. When the market picks up again — something fund managers figure is as certain as day following night — cash invested when the market was low inevitably outperforms that invested when the market was strong, while at the same time helping reduce any downside risk.

Piers Currie, marketing manager with Abtrust Fund Managers Ltd. in London, said another way of looking at cost-averaging is that it can make average unit costs cheaper for regular mutual fund investors than for those putting lump sums into the same market.

In the example shown, four monthly payments into a mutual fund of $25 each work out cheaper overall than the average cost of the fund.

The figures need qualifying, however. In the same example a lump-sum investor buying the mutual fund's shares at 50 cents on the dollar would clearly have bought them even more cheaply than the regular investor. Moreover, if the value of the fund's shares rose over the period, a regular saver would be worse off no matter when the lump-sum investment was made.

But, argues Mr. Currie, reducing the highs is essential if investors want to cut out the lows. "The effect is that your money is never going to be committed in full at the top of the market, nor at the bottom. Cost-averaging brings a measure of stability to investing as it reduces the impact of market timing."

Paul Barnes, a spokesman for the fund monitoring firm Micropal, said the advantages of regular saving depend largely on the performance of the market in which the mutual fund invests.

Those putting money into historically volatile sectors such as emerging markets are best placed to benefit from cost-averaging, Mr. Barnes said. "If the value of the fund is likely to rise and fall sharply over time, it makes sense to invest on a regular basis." In other words, someone making a lump-sum investment in a difficult market runs a high risk of getting into a fund at just the wrong moment. By dividing the same amount into a series of regular contributions, investors avoid exposing all of their cash to a sudden crash.

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THE WORLD'S DAILY NEWSPAPER

THE MONEY REPORT

Today, the 'Prudent Man' Might Be a Woman

By Ann Brocklehurst

IF a husband and wife cannot agree on a family financial plan, it may well be due to the different attitudes and approaches to investment that men and women take. But if the two can listen to and learn from each other, they are likely to reap higher investment returns.

A recent study by Prudential Securities of New York showed that women are more risk-averse and less sure of their investment abilities than men. According to the national poll of 600 women and men conducted by Mathew Greenwald & Associates Inc., women are more likely than men to put off financial decisions due to fear of making a mistake, they get nervous about the ups and downs of the stock market, and they say their lack of knowledge keeps them from being more involved in financial planning.

"Women are less confident than they might well be about their investing ability," said Ronna Lichtenberg, a Prudential senior vice president in charge of the Investment Planning for Women program. "But once women make the plunge and are put in a position where it's clear they're responsible, then they really get into it."

Unfortunately, most women do not get their feet wet early enough, according to Maryann Bruce, a senior vice president at OppenheimerFunds. "They invest too little, too late and too conservatively," she said.

This is unfortunate because, given current divorce rates and women's longer life expectancy, most women will find themselves solely responsible for their financial well-being at some point in their lives. While Ms. Bruce said publicity about retirement issues appeared to have had an effect on women over the past three years, "they still aren't motivated to do anything."

Both Oppenheimer and Prudential are trying to attract women clients by addressing their specific needs. Prudential holds regular women-only seminars to provide educational material and answer questions. And Ms. Bruce said Oppenheimer had prepared a "soup-to-nuts package" for the financial advisers who promote its funds "so that if they really want to target this market, they can."

While she believes that women need to become more aggressive investors, she said they were not interested in the "hard-sell, act-now-or-lose-the-opportunity" approach.

Women are more likely than men to do a lot of research and they hold their investments longer, said Ms. Lichtenberg, pointing out that these are both good financial strategies. For many

Nicolas Ascin

men it is "a sort of loss of face to ask questions. They'll take risks even if they know less," she added.

In her own family, she said, her husband is more inclined than she to buy equities and trade them frequently, despite the fact that she is the one who works in the investment business while he is in a completely unrelated field. "Neither approach is better," she said. "Put them together and you've got the best of all possible worlds." In cases where either a husband or wife is not present in the family, she suggested that an investment adviser of the opposite sex might be able to play the same role.

Data from the National Association of Investment Clubs seem to bear out Ms. Lichtenberg's theory. It shows that clubs with both men and women members consistently out perform women-only and men-only clubs.

Women-only clubs are in second place, but they have recently been losing their edge. Barry Murphy, a spokesman for the association, believes this may be because all-women clubs are being added at a much faster rate as women become more interested in investment. In their first years, these new clubs often do not do as well as more experienced ones, and they drag down the performance of women's clubs as a whole.

The growing participation of women in the investment world has also resulted in offers of products designed to cater to what some perceive as their specific needs and interests.

THE American Diversity Growth Trust, launched in April, was developed to attract particularly women and African-American investors to a portfolio of 26 U.S. companies popular among urban consumers.

Neither Prudential nor Oppenheimer plans to move in that direction, however. "Our feeling is that both men and women have the same goals," Ms. Bruce said. "Save for college. Save for retirement. It's just the approach that's different. They buy the same mutual funds and variable annuities."

Added Ms. Lichtenberg: "We don't see a need for pink and blue mutual funds."

Fund Firms Get Personal

By Conrad de Aenlle

A fund manager's favorite customer is someone who entrusts the manager with a sizable sum of money for a long time. To lure in such worthies, a clutch of fund providers are offering personal portfolio management service, allocating clients' money among their funds based on individual financial circumstances and tolerance for risk.

The minimum account size can be less than $50,000 but is usually several times more. At Perpetual PLC, for instance, the minimum is £100,000, or about $150,000. "It's got to be a meaningful amount of money before you can do justice to the client with an asset-allocation program," explained Roger Cornick, deputy chairman of the British fund provider.

In Mercury Asset Management's Offshore Managed Fund service, the minimum is $250,000. There are three standard portfolios based on three levels of risk tolerance; each portfolio is then fine-tuned to meet individual requirements.

Account holders must pay an annual management fee of 0.75 percent of assets, but the initial charges on fund purchases are waived, a concession that Mercury, one of Europe's largest fund managers, is willing to make in order to bring in large, stable accounts. And in a spirit of broad-mindedness — or competitive necessity — the portfolio advisers also buy other companies' funds "where and when appropriate."

Kleinwort Benson Investment Management, the fund management subsidiary of a British investment bank that itself is owned by Dresdner Bank AG, has a service aimed at British residents called Select that allocates assets among Kleinwort unit trusts, which are the British equivalent of mutual funds, as well as individual stocks and bonds and closed-end funds. In addition, some assistance with tax planning is provided.

The fee schedule is difficult to figure out from the program's literature. There is no minimum account size, but the minimum annual fee of £500 makes the account impractical for smaller investors. Like the Mercury program, Kleinwort's charges no front-end loads on unit trusts. Fees range from 0.25 percent to 1 percent per year, depending on the type of investment, and there are additional commissions for buying and selling securities. In both companies' services, as in most, all fees are above the management fees deducted from the assets of each fund.

Portfolio Management

Company	Minimum Investment	Annual Cost
Perpetual	$150,000	n.a.
Mercury Asset Man.	$250,000	0.75% fee
Kleinwort Benson	none	£500+ 0.25 - 1% fee
T. Rowe Price	$1,000,000	n.a.

IHT

Discretionary services tend to be run for funds either in Britain or the offshore territories. American personal portfolio management is handled mainly by broker-dealers, such as Merrill Lynch and Smith Barney, and sometimes fund providers contract with brokers to offer personal management of their funds. For instance, Smith Barney runs a service using Alliance Capital mutual funds.

The appeal of personal management in the United States may also be limited by the popularity of no-load funds. Americans have grown used to the idea of paying no sales charge and getting no advice.

One no-load company, T. Rowe Price, offers a discretionary service for clients with more than $1 million and a spokesman said Rowe Price was considering starting a program later this year with a lower minimum and less individually tailored service.

Heavy competition outside the United States has compelled them, grudgingly, to introduce more no-load and low-load funds. As the fees they derive from sales charges fall, the need to make up the income through other means increases, making personal management a sound marketing concept.

Whether it is as valuable for shareholders is less clear. Independent financial advisers, who are in direct competition with fund managers in selling advice, are among the loudest critics. They contend that clients are ill served by being restricted largely to a single product range.

"We'd like to think that because we can pick anything, we can personalize it and be quite responsive to clients' needs," said Janice Thomson, director of Chelsea Financial Services, a London advisory firm. "We just think there's no point to confining yourself to one company when you can cover the whole market."

She did say that Mercury, with its willingness to buy funds outside its own range, and J. Henry Schroder ran particularly good services.

Michael Lipper, whose Lipper Analytical Services Inc. tracks the performance of investment funds and who does some portfolio management, agreed that "in theory the manager that has the largest number of products to utilize has an advantage going in." But it is not clear whether any personal fund management is better than none.

"All of us are applying a fee on top of a fee," Mr. Lipper said. "Eventually there is the question: Can this added level of management earn a return that makes paying two different levels of fees worthwhile?"

Internet Trawling Yields Some Valuable Freebies

By Barbara Wall

CYBERSPACE has increased the scope for individuals to take charge of their finances. But will the Internet and online services such as CompuServe and Prodigy ever replace full-service financial intermediaries?

On the World Wide Web, the interactive portion of the Internet, investors armed with a personal computer and a modem can get the latest financial news, investment tips and stock market quotes at the push of a few keys. They can track their portfolios, place trades, pay bills and buy insurance without ever having to venture near a broker.

While most of the Web sites are promotional vehicles for paid subscription services, they often give away some free information, such as a limited number of quotes. If, however, you are prepared to spend an evening trawling the Net, it is likely that you will come across a few munificent service providers that supply stacks of information free of charge.

Paul Farrell, author of the "Investor's Guide to the Net," advises seekers of freebies to look for the MIT experimental stock market data site. "For years the MIT site has been the best noncommercial Web site for raw market data," he said. "When it comes to stock quotes and volume, MIT is definitely a winner."

Tom Virdin, a former financial planning consultant who now manages his own marketing services company in Paris, said the Web site set up by the American Association of Individual Investors is an ideal place to learn about investments and financial planning. "It is chock-full of valuable, free information on retirement and school fees planning, mutual funds and portfolio strategies," he said.

For the advanced investor, Mr. Virdin recommends the NETworth Web site by Galt Technology. "NETworth offers a wealth of goodies such as limitless free stock market quotes, company information and investment analysis. The site also provides free access to Morningstar data, including regular updates of the best performing funds listed by investment objectives and ranked by various time periods."

NETworth is a subsidiary of Intuit, the makers of Quicken portfolio management and personal finance software. The Quicken package, which costs around $60, allows investors to monitor their portfolios, organize budgets, and track expenditures.

Quicken has about 70 percent of the personal finance software market, Mr. Farrell said, and its lead is likely to increase substantially, now that a consortium of major commercial banks and brokerage firms is using Quicken software for on-line home banking services.

Of the three major on-line service providers — CompuServe, America Online and Prodigy — Mr. Farrell cautions that CompuServe, in his opinion the best, is also the most expensive to use. "Most likely you will need more than the basic service, so you have to count on a bill much higher than the flat fee," he explained. "Every current quote you check on is a couple of pennies, every historical quote a nickel. It keeps ticking away like the meter on a taxicab." He added that there are hourly charges and individual fees for most investment data, plus a rate schedule that "rivals the Federal Tax Code" for complexity.

Although the Internet unquestionably has enabled investors to take a more direct hand in their financial future, the role of the professional financial adviser is unlikely to diminish in importance, say the experts. In fact, they say, their workload may even increase as more investors, drawn by the Internet's ease of access, try their hand at beating the market. "These same investors will probably want to discuss their investment decisions with a professional for peace of mind," Mr. Virdin said.

Beefing Up a Retirement Plan

By Judith Rehak

THE 401k savings plan is rapidly becoming a cornerstone of retirement planning for working Americans. About 95 percent of companies with more than 5,000 employees now offer them, according to Access Research, a market research group in Windsor, Connecticut.

With smaller firms rapidly joining in, an estimated 340,000 American companies will have these plans by the year 2001. Overall 401k assets, now at $675 billion, are projected to hit $1.5 trillion by the millennium.

There are three prime reasons why 401k's, named after the tax law that brought them into being 15 years ago, deserve attention.

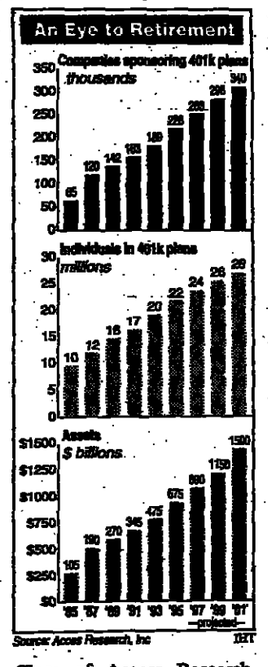
First, there are the tax benefits: Contributions are deducted from an employee's taxable income, deferring them from taxes until withdrawal from the plan. Also, income and capital appreciation in the account grow tax-free until withdrawal. And, as an added attraction, some 80 percent of companies will match their employees' contributions.

But 401k plans have a problem. Less than a third of companies that offer them think their participants are saving enough, according to a recent survey by RogersCasey, a consulting group in Greenwich, Connecticut. Moreover, many companies are having difficulty convincing their employees to even join their plan. Only half of the 520 plans surveyed had a participation rate of 80 percent or better.

With mounting concerns over the inadequacy of Social Security and other savings plans to provide a comfortable retirement, many companies are urging their employees not only to participate, but to invest the maximum allowable.

To accomplish this, they are clamoring for more user-friendly, targeted employee education from 401k plan providers like mutual fund families, insurance companies, and independent groups. That is a major change from just a few years ago, when companies either gave out little information, or published esoteric booklets that often baffled employees.

"One reason many people didn't join was that they didn't understand the plan," said Jeff



Close of Access Research. "But materials are much more clear now. There are better formats, more graphics, and that makes it more likely that participation increases."

Plan providers are also learning that motivating employees to participate has a lot to do with demographics. Detail-oriented engineers at a West Coast company were very responsive to written materials and computer programs, said Mary Beth Lange, a communications specialist with T. Rowe Price, one of the largest 401k specialists. But at a California restaurant chain, young waitresses, bus boys and cashiers balked at reading volumes of materials. "They said 'talk to us'," Ms. Lange said.

When a company employee, trained by Rowe Price, met with small groups to explain the plan, participation leaped by 37 percent. Face to face meetings were crucial in both situations, she added, but the follow-up was different.

Once employees have joined the plan, the next obstacle is convincing them to maximize their contributions, which can go as high as 15 percent of their salary.

But the average contribution is only 7 percent. Worse yet, say retirement experts, some employees "walk away" from money by not even contributing enough to get the full match from their company, typically 50 cents on the dollar up to the first 3 percent of salary. Access Research estimates that about 5 million of the 22 million 401k participants fall into this category.

Mr. Close cited another mistake: "People should be putting in 10 percent, but the matched amount is 3 percent, so they contribute only up to that, and no more."

How to convince employees to tighten their belts and save more? One of the most effective inducements is showing participants how compounding works to build up an investment, or the positive effects of investing just one or two percent more over time. "We start with five years, especially with the young who want immediate gratification," Ms. Lange said. "Facts and figures do work."

Breaking down a savings plan into digestible bites of five, 10 and 20 years is also helpful, especially when an employee feels overwhelmed by the news that he or she will need, say, $1 million for a comfortable retirement. The T. Rowe Price program, for example, uses benchmarks ranging from the lowest to the highest salary level in a company to show how much to save to reach a goal.

Psychology also comes into play. "People will say they can't save much more," Ms. Lange said. "But I tell my clients to capitalize on situations. For example, when employees get an automatic increase, add a notice saying, 'Here's your raise. You've been doing without it for a year. Why not put it in your 401k for the future?' "

Employers are also taking a more active role in raising contributions by widening the investment options for plan participants. Plans that use mutual funds typically offer six to eight options, up from five just two years ago, with the most popular additions in international equities and "lifestyle" funds that automatically diversify among stocks, bonds and cash.

Investment performance is under closer scrutiny. Instead of sticking with one fund family, companies are increasingly cherry-picking among top money managers in each category, like equities, bonds, or international, according to Ray McKinney, an executive with Harlehurst & Associates, an Atlanta group that represents 20 fund groups.

BRIEFCASE

Why Stocks Should Continue to Rally

When the Dow Jones industrial average started its ascent last year, few investors may have thought the rally would last this long. But with the index of 30 leading stocks hovering around 5,700, it may be time to look for indications of a downturn.

Stephen Leeb, editor of the newsletter Personal Finance, offers a few in a recent issue:

"Stocks need three strikes before investors have to worry," he writes. "Right now there's only one, the break in the bond market. The other two — a rise in short-term interest rates and weakness in small stocks — are still on the horizon.

"With just one strike, stocks will continue to bend but won't break," he continues. "The broad market still has enough legs to make one more run at new highs before declining 10 percent or more."

Mr. Leeb thinks short-term traders will benefit from the volatility that tends to come early in a market correction: "Whenever stocks fall 5 or 6 percent, the short-term risk-reward parameters are dramatically in your favor," he writes. "Buying the dips is quick money."

But with the U.S. economy picking up, the "big money" will go to "long-term investors who buy into companies with prospects that are leveraged to accelerating economic growth."

China's Next Boom: Insurance Policies

Consumers in China are poised for an insurance-buying spree between now and the end of the century, and foreign insurers are the likeliest beneficiaries, according to a survey by accountants Watson Wyatt Worldwide.

About 25 percent of consumers in Shanghai, China's fastest growing major city, plan to purchase life insurance in the next two years, the survey showed, compared with the 6 percent who bought insurance in the previous two years. Some 45 percent of survey respondents said they planned to buy more than one kind of insurance in the next two years. By some estimates, total premium payments could reach $50 billion in the next 10 years, compared with $7.6 billion in 1994.

Underpinning the growth predictions is a steady decline in guaranteed benefits such as pensions and medical care at state-owned enterprises. This so-called iron rice bowl is being eroded by competitive pressures as China opens its domestic economy to foreigners.

Those pressures are being extended to the insurance industry itself: Beijing has granted joint-venture licenses to two foreign insurers to operate in Shanghai and Guangzhou, and more are expected to follow, especially in Chengdu and Tianjin, the survey noted.

For more information, call Watson Wyatt in Britain at (44-1737) 241 144.

Privatization Fund Offers Discount

With the success of the recent Railtrack privatization in Britain and the brisk movement forward of plans to sell shares in France Telecom, privatization appears to be enjoying a somewhat overdue day in the sun.

In this warm climate, Guinness Flight is offering a 1.5 percent fee discount on investments over £2,000 (about $3,000) in its Global Privatization Trust, which buys stocks of newly public companies in Europe and Asia.

"The trend towards privatization and restructuring in Europe and buoyant stock market conditions in Asia-Pacific and the developing world enhance the already persuasive arguments for investing in privatizations," according to Andrew Couch, the fund's manager. Those arguments include attractive pricing and a low ratio of risk to reward, he said.

The fund was launched in 1994 and posted a 30 percent return last year.

For more information, call Guinness Flight in London at (44-171) 522 2100.

The Money Report is edited by Martin Baker

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ANNOUNCEMENT
Under the provisions of the 1968 Gaming Act a licence has been granted to The Colony Club to operate a Casino at 24 Hertford Street, Mayfair, London W1Y 7DA England.
Gaming facilities will include, Roulette, Blackjack, Casino Stud Poker, Dice and Punto Banco.
From the 9th of June 1996
The Colony Club will be open daily between 12 noon and 4am, with gaming commencing at 2pm.
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WORLD ROUNDUP

Tonkov Wins Stage

CYCLING Pavel Tonkov of Russia launched a successful attack 3 kilometers (1.8 miles) from the finish line to capture the 13th stage and the race leadership of the Tour of Italy on Friday.

The 27-year-old cyclist, who rides for the Ceramiche Panaria team, beat the Latvian veteran, Piotre Ugrumov, in a two-way sprint in the northern resort of Prato Nevoso. Enrico Zaina of Italy took third place, 21 seconds behind.

Tonkov snatched the pink jersey of the overall leader from Davide Rebellin of Italy, who finished 33 seconds behind the Russian. Tonkov, who also pocketed a 12-second time bonus from the stage victory, vaulted to first place in the overall standings with a lead of 20 seconds over Ugrumov. Rebellin fell to fourth place. *(AP)*

U.S. Gets Women's Cup

SOCCER The United States was formally awarded the 1999 soccer Women's World Cup on Friday. The action was a forgone conclusion since the only other two contenders — Chile and Australia — failed to submit a formal bid in time for the March 1 deadline.

The announcement by soccer's governing body was virtually lost in the drama surrounding FIFA's decision to award the 2002 men's World Cup to both South Korea and Japan as co-hosts.

The United States, which staged the 1994 men's World Cup in 12 cities from Boston to Los Angeles and drew an all-time record 3.5 million spectators, has proposed using 10 East Coast cities for the women's event. The suggestion to locate all the potential venues in one time zone was made as a cost- and time-saving measure for the 16-team, 17-day tournament. *(AP)*

Australia Wins in Squash

SQUASH The brother-sister duo of Brett and Michelle Martin led Australia to a 3-0 victory over South Africa and a place in the finals of the World Cup team squash championship on Friday. They will meet England, which defeated Egypt, 3-0, in the final.

Brett Martin won the first game against Glen Whitaker, 10-8, but dropped the second before a series of winning volleys carried him to victory, 10-8, 7-9, 9-7, 9-4.

His sister was in command against Claire Nitch in a 9-5, 9-4, 9-7 victory, although she nearly lost the last game. *(Reuters)*

Sampras Too Strong for Martin

Struggling Pierce Is Upset by Rittner of Germany

By Christopher Clarey
Special to the Herald Tribune

PARIS — They had a pleasant dinner together on Thursday night near the Champs-Elysées, and on Friday afternoon, they walked on center court in another of part Paris and played a racket-wrenching, career-tweaking tennis match.

Pete Sampras and Todd Martin work in a world of abrupt transitions. Friends become adversaries for the space of a few hours; Davis Cup doubles partners face each other across the net.

There is little space for sentiment, and Friday, there was little space between them: only a few crucial points in the course of their five-set encounter that helped explain why Sampras is a champion and Martin is a fine player without a major title.

"Pete started off slowly, and I started quickly," Martin said. "He finished quickly, and I finished slowly. Unfortunately, it wasn't the other way around."

Sampras's 3-6, 6-4, 7-5, 4-6, 6-2 victory put him into the fourth round of the French Open, the only Grand Slam event he has never won. It also took him safely out of heavily mined territory. Burdened with a brutal draw, he had to beat Magnus Gustafsson of Sweden, the two-time French Open champ Sergi Bruguera and the 18th-ranked Martin just to get into the round-of-16.

The disquieting news is that he had to go five sets against both Bruguera and Martin on a surface where lengthy matches take a heavier toll than on any other.

"It's the toughest first week I've ever had in a major, that's for sure," said

THE FRENCH OPEN

Sampras, whose next opponent is Scott Draper, an Australian who is considerably more dangerous on clay than his ranking of 99 would suggest.

But Sampras is looking suspiciously like a young man on a mission, and though he has declined to discuss it at length, the recent death of his coach and friend Tim Gullikson is clearly in his and others' thoughts.

"It always has been a big goal for Pete to win the French, and it was Tim's last goal to help him win the French," said Gullikson's twin brother, Tom, the American Davis Cup captain. "Tim is looking down on him, and the last two wins were pretty much Tim Gullikson's type of wins. Pete showed a lot of guts and determination. It would have made Tim smile to see him play like that."

Despite Sampras's stirring victory, it was not a heartwarming day all-around at Roland Garros. Particularly not for the No. 12 seed Mary Pierce, who was upset 6-4, 6-2 by Germany's athletic but limited Barbara Rittner and then proceeded to lose her composure in the post-match news conference. Pierce, who represents France but spends a great deal more time in Florida, became a star here in 1994 when she reached the final against Arantxa Sánchez Vicario. She became a bigger star eight months later when she beat Sánchez Vicario to win the 1995 Australian Open.

But since that stunning display of powerful baseline tennis, she has not advanced past the fourth round in a Grand Slam event. Her game and on-court composure have regressed steadily, and the French public has become impatient with her error-prone tennis and mannered on-court behavior. When she lost indoors in February at the Open Gaz de France, she was jeered on her way off the court.

On Thursday, after making a whopping 38 unforced-errors in 18 games against a player to whom she had never lost, she was jeered again.

She did not change many Gallic minds afterward with a curt, testy and thoroughly unenlightening performance in the interview room during which she responded to one perfectly logical query about her new coach, Joe Giuliano, by saying, "That is truly a stupid question."

Other rich and famous young women had better days, including the co-No. 1 seed Monica Seles, who advanced with a 6-2, 7-5 victory over a talented Belgian, Sabine Appelmans. Seles, who has been receiving more than two hours of treatment daily for her troublesome left shoulder, will face the No. 13 seed, Magdalena Maleeva, in the fourth round. Maleeva was Seles's opponent in Hamburg in April 1993 when she was stabbed in the back on a changeover.

"I'm just going to go out there and play my game," Seles said.

Two other women's seeds were beaten on Thursday. No. 8 Brenda Schultz-McCarthy of the Netherlands lost 6-3, 3-6, 6-2 to Irina Spirlea of Romania, which was no surprise considering Spirlea's recent performances on clay. Martina Hingis of Switzerland, seeded 15 at age 15, was beaten 4-6, 7-5, 6-4 by Karina Habsudova of Slovakia, another player who has been on a roll.

Another Slovakian, Karel Kucera, rolled his ankle in the fourth set against the No. 7 men's seed, Jim Courier, and had to default with a sprain, trailing 7-6 (7-2), 5-7, 6-4, 5-4. Courier's friend Chris Woodruff, who upset Andre Agassi on Wednesday, was beaten in five sets by Sweden's versatile Jonas Bjorkman.

Sampras is clearly quite versatile himself, but in the first set against Martin, he could only watch as the winners came flying off his opponent's racket.

Martin would win the first set in just 27 minutes.

"Phenomenal," Sampras said. "He was toying with me for a while."

But while Martin would finish with 29 aces — a huge number in a clay-court match — he would be unable to sustain his state of grace.

While serving at 4-4, 30-30 in the second set, Sampras sent a backhand passing shot up the line. Martin was in good position, but the ball clipped the tape and dropped over the net. Martin got there too late and was broken on the next point after a sensational baseline rally.

It was a pivotal moment in one of those rare clay-court matches where the serve was the dominant stroke (Sampras would finish with 20 aces of his own).

And there would be another pivotal moment on Martin's serve early in the fifth set when Sampras broke him in third game to take command of the match.

Martin did not fade away without a struggle, but he would get only one more break-point opportunity on Sampras's serve. It came in the next game. Sampras saved it with an ace, which was entirely fitting.

"When Pete's serving well, it doesn't matter what court he's playing on," Gullikson said. "He could be playing on sand."

Lionel Cironneau/The Associated Press
Pete Sampras reacting to a hard-won point during his match on Friday.

Eric Feferberg/AFP
Mary Pierce looked less than content with a shot during her losing effort.

■ Martin Stoic on Olympic Snub

Passed over for the U.S. Olympic team, Martin insisted Friday that he was not bitter and cited "personal reasons" for turning down a shot to play doubles. The Associated Press reported from Paris.

"That's my tough luck that I'm not going to be there," he said after losing to Sampras. "That's fine with me."

The U.S. Tennis Association announced Wednesday that the men's team included Sampras, Andre Agassi, MaliVai Washington and Richey Reneberg. The higher-ranked Washington was picked over Martin for singles.

NBA and NHL Playoffs Heat Up as Seventh-Game Showdowns Loom

Jazz Swings on Malone's 32

By Tom Friend
New York Times Service

SALT LAKE CITY — On a night when the Sonics' Gary Payton and the Jazz's John Stockton seemed to trade places, Utah had a scrimmage at Seattle coach George Karl's expense.

Stockton had 14 points, 12 assists and only 1 turnover and this Western Conference final will have a rubber game whose winner will meet the Chicago Bulls in the NBA finals.

The only drama in Thursday night's Game 6 was whether the Delta Center scoreboard would burst. Karl Malone's jump hooks were worth 32 points, Jeff Hornacek's rainbows were worth 23 points and Utah routed the suddenly perspiring SuperSonics, 118-83.

"We're not in this series to hang around," Malone said.

The seventh and final game is scheduled for Sunday night, and Payton might want to be there. Shawn Kemp was the only SuperSonic who wanted to leave for Chicago on Thursday night — with 26 points on 10 of 15 shooting — but Payton played an invisible game. He had 10 points and 7 assists and never butted Stockton in the chest — as is his custom.

Seattle had led the series three games to one, but they failed to say good-bye to the Jazz in an overtime Game 5 loss, and are paying for it.

The SuperSonics made only one run — whittling a 22-point second-quarter lead to 12 by halftime and to 10 early in the third quarter — but Hornacek was his automatic self during a 6-0 Utah run that re-established the Jazz's authority. The Sonics trailed by 19 after the third quarter.

The Seattle shooting guards were invisible. Nate McMillan has a wrenched back that stings all the way down to his hamstring, and the starter, Hersey Hawkins, did not sink a shot from the field. The shooting guard who never plays, David Wingate, was even chewed out by the referee, Jess Kersey, for his negative comments from the bench.

Karl called every time-out he had available, but by the end of the game started to notice the signs in the stands. One said, "Surprise, Seattle. Does this look like Chicago?"

No, it did not. And the Sonics did not look like the Sonics.

Stockton had hardly scored in this series, averaging a sickly 6.6 points, but he rang up 6 in the first quarter and 10 by halftime. He has been bothered by a sore hamstring, a sore elbow and a sore loser (opposing Gary Payton), but his motor skills seemed to finally resurface.

Stockton also agreed, for the first time publicly, that he may never knock on this door again. He and Malone are relative dinosaurs in this league, and Stockton finally said tonight what the basketball world has been whispering: This is Utah's last chance to reach the finals.

"You can't count on next year or the next year," Stockton said. "Who knows? We may not get another chance. This could be it."

The urgency showed, and by the time Stockton ran another circle around Payton and dished to Hornacek for a wide open 3-pointer, the Utah lead was 52-30.

Seattle's problem, once again, was its coordination. The Sonics had averaged 23 turnovers in the previous three games (two losses), and on Thursday night Kemp kicked four basketballs into Utah's hands in the first five minutes. By the half, the turnover total was 13, and the result was many pleasurable Utah lay-ups.

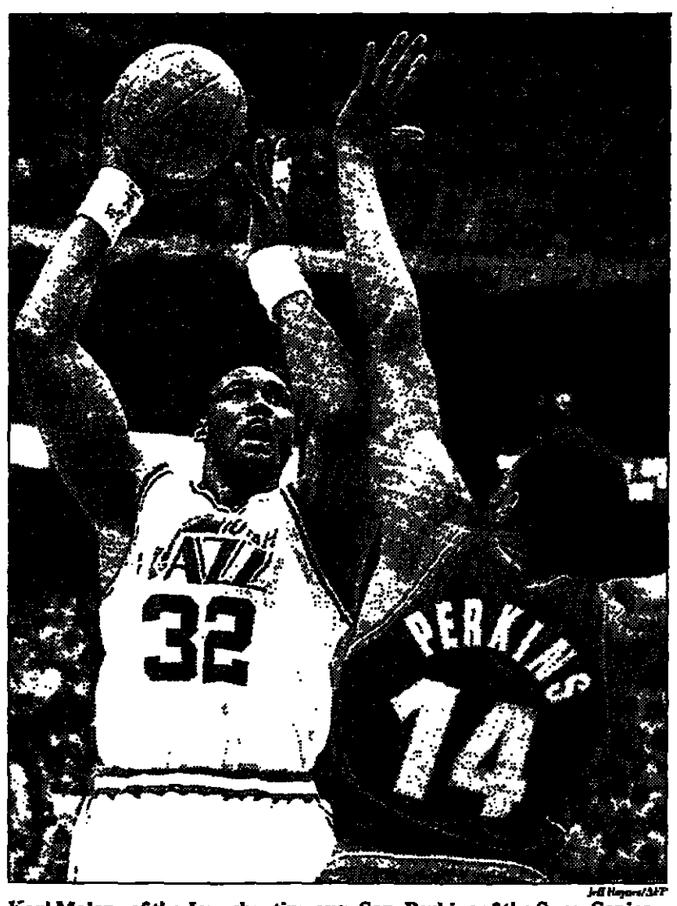
In fact, Utah had 17 fast-break points to zero for Seattle early in the second quarter, and usually the Sonics are hares — not turtles.

Payton's game, meanwhile, was a mystery. He had been on his cellular phone before the game instead of watching game tape with the rest of his club, and his first half was enigmatic. After going for 31 points and 6 assists in Game 5, he took only 2 shots in the first half (5 points) and allowed Stockton to roam wherever he pleased.

The only SuperSonic with any drool coming out of his mouth was Kemp. He had 16 points and 8 rebounds by halftime (compared with Malone's 17 and 4), and he finally got Detlef Schrempf (12 first-half points) to run with him.

Seattle, after trailing by 22 with 3 minutes left in the second quarter, went on a 13-3 surge to trail at the half, 59-47. Considering Utah shot 67 percent from the field in the first half, it was a moral victory of sorts. In fact, if Hawkins had not bricked a wide-open 3-pointer with 10 seconds left, the deficit would have been single digits. Instead, Stockton sprinted off with his fist in the air.

The little point guard shot 54 percent from the field in the regular season — the best shooting guard in the league — but he had been no deadeye in this series, shooting only 31 percent before tonight. If anyone was due, it was him.



Jeff Haynes/AFP
Karl Malone of the Jazz shooting over Sam Perkins of the SuperSonics.

■ Ainge Is Tapped by Suns

The Phoenix Suns announced that Danny Ainge would return to the team as an assistant coach and heir-apparent to the head coaching job, The Associated Press reported from Phoenix.

Ainge, 37, left the Suns a year ago because they wanted him to coach and he wanted to keep playing. The difference this time is that Ainge has been promised he will eventually run the show.

"Danny Ainge will be the next head coach of the Phoenix Suns," said the team's president, Jerry Colangelo, late on Thursday. "Once he came to Phoenix and I had a chance to get to know him, it was pretty obvious that here's a guy with the whole package — the temperament, the acumen. He's not only going to be a head coach, but an outstanding coach in the NBA."

That won't take place until Cotton Fitzsimmons decides to leave the bench and return to the front-office vice presidency he gave up in mid-January to replace another protege, Paul Westphal. Ainge said he didn't mind waiting, and Fitzsimmons said he wouldn't make Ainge serve a long apprenticeship.

"Danny Ainge is one of those guys that you either love or hate; I've been on both of those sides," Fitzsimmons said.

Next season, the Suns will have Ainge, Paul Silas and Donn Nelson as assistants. Silas and Nelson did not attend the news conference, but Colangelo said they had been briefed on the development, approved it, and had agreed to stay on as Ainge's assistants.

Panthers Pounce on Penguins

By Charlie Nobles
New York Times Service

MIAMI — The Pittsburgh Penguins, trying to avert the uncertainty of a one-game showdown, had said they would treat Game 6 of the Eastern Conference finals on Thursday night as if it were a Game 7.

After all, Mario Lemieux said, "You can run into a hot goalie, get a bad bounce — anything can happen."

The Penguins have no choice now. The third-year Florida Panthers continued their improbable story as playoff upsetters, forcing a Game 7 in Pittsburgh on Saturday night with a 4-3 victory on Thursday night before 14,703 fans at Miami Arena. The winner of Game 7 will face the Colorado Avalanche in the Stanley Cup finals.

"All you want is a chance," said the Panthers' coach, Doug MacLean. "And we have it now. It's pretty exciting."

Rob Niedermayer, a 21-year-old center, produced the deciding goal for Florida with 6 minutes, 2 seconds left in the game. Niedermayer followed a slap shot by defenseman Terry Carkner with two short shots off rebounds, the second of which scooted under diving goalie Tom Barrasso's left shoulder.

Pittsburgh had tied the score at 3 with 7:41 left, thanks to the brilliance of Lemieux. Surrounded by Bill Lindsay and Robert Svehla, Lemieux somehow slipped a pass to right wing Tomas Sandstrom, who beat goalie John Vanbiesbrouck high. Still, it was the only point of the game for the vaunted twosome of Lemieux and Jaromir Jagr.

Pittsburgh's coach, Ed Johnston, has been fond of saying that the two most important ingredients in winning a Stanley Cup are goaltending and the play of special teams. The Penguins had both Thursday night — until Florida's two third-period goals.

Never mind that the Panthers have scored on only one power play in their last 25 chances.

"We didn't play 60 minutes, so we didn't deserve to win tonight," Johnston said. "We were too spotty."

Martin Straka had put Florida ahead, 3-2, with 10:25 left. Straka began the sequence with a weaving move across the blue line, then found Lindsay in the middle. Lindsay took the puck 30 feet (9 meters) before slipping a pass between defenseman Chris Joseph's legs to Straka, who punched the puck over Barrasso's prone body.

The Panthers, who entered the game 9-2 in playoff games in which they had scored first, got a freak goal from right wing Scott Mellanby just 7:45 into the game.

Mellanby seized a loose puck along the boards at mid-ice and took off for the Pittsburgh net with defenseman Chris Tamer in pursuit. With Mellanby closing in on Barrasso, Tamer hooked Mellanby's left arm with his stick and dragged him down.

Mellanby flailed at the puck as he belly-flopped onto the ice and slid into Barrasso a moment after the goalie blocked the weak shot. The puck, however, bounced off Tamer's right leg and into the net.

Game officials took more than two minutes to check the replay, trying to determine whether the net had been knocked off its moorings before the puck reached the net.

At every hint of good news during the delay, Panther fans heaved several dozen of their trademark plastic rats onto the ice. And when the goal finally became official, Miami Arena rained rats. It was the first Florida goal in 94 minutes 55 seconds, since 12:50 of the second period in Game 4.

Meanwhile, the Panther defense was muting Pittsburgh's high-octane offense. The Penguins managed just two shots in the game's first 14 minutes and wound up the period being outshot, 11-4.

Florida even had a golden chance to fatten its lead late in the period, but Niedermayer's breakaway after defenseman Jason Woolley threaded him a perfect pass was cast aside by Barrasso.

■ Lemieux Hit Under Review

Claude Lemieux's check that damaged Kris Draper's face is "under review," the National Hockey League announced Thursday, Joe Lapointe of The New York Times reported. A review doesn't necessarily mean a suspension or a fine, but both are possible.

The review is being conducted by Brian Burke, the NHL's senior vice president and director of hockey operations. Findings will be announced before the Stanley Cup finals begin next Tuesday night in Denver.

Lemieux, of the Colorado Avalanche, who is no relation to Mario Lemieux of the Penguins, got a five-minute major penalty and a game misconduct Wednesday night for checking from behind when he crashed into Draper of the Detroit Red Wings in the first period of Game 6 of the Western Conference finals at McNichols Arena.

SPORTS

Kim Williams Keeps Beating the Odds

Shot 2 Years Ago, She Takes First-Round Lead in Women's Open

By Alex Yannis
New York Times Service

SOUTHERN PINES, North Carolina — Two years ago, a stray bullet struck Kim Williams in the neck as she walked into a drug store during an LPGA tournament in Ohio.

Last fall, still in pain from the injury, she decided to have surgery to remove the bullet and her game has been improving ever since. It reached a higher level in Thursday's opening round of the 51st Women's U.S. Open at the Pine Needles Lodge and Golf Club.

On a course that yielded nothing to the 150 top women golfers in the world, Williams, 33, shot a one-under par-69 and was the only player to beat par. Just as she has been beating the odds since the shooting incident. "The surgery was dangerous," Williams said, "because the bullet was near major arteries."

Williams attributed her good outing Thursday to her putting. Two of her four birdies in the round came on putts of 15 and 20 feet (6 meters). "I made a lot of putts," she said; "but I also drove well on the back nine."

Weaving through sand hills and forests of tall pines, the 6,207-yard par-70 layout starts rather gently, but culminates in a five-hole long stretch that will ultimately determine the championship.

"There is no such thing as a bad U.S. Open course," said Laura Davies, one of the top candidates for the title because of her strong long game, "but this is a great U.S. Open course. It's a scary sort of course and I don't think length is going to win you the tournament."

Riko Higashio of Japan, who attends the University of Florida, was the low amateur among the 15 in the tournament, with a first round of par 70. Betsy King, who captured the tournament in 1989 and 1990, made a nine on the par-4 second hole, but that was not the highest score for a hole. Holly Reynolds shot a 10 on the 10th hole, the 440-yard par-5, considered one of the easiest on the course.

John Rothwell/AFP
Kim Williams watching her shot at the Women's Open.

■ Lowery Shoots a 67

On a sparkling, cloudless and cool day — the sort that would seem perfect for scoring — Muirfield Village gave most of the 110 players in the Memorial Tournament a memorable cuffing, Larry Dorman of The New York Times reported from Dublin, Ohio.

With a difficult-to-read formula of high rough and glassy greens combined with soft fairways, only seven golfers broke 70. There were three times as many over par rounds (69) as under par (23). They didn't need yardage books: they needed the Rosetta Stone.

Steve Lowery played the final four holes in three under par for a surprising round of 67 (he hasn't led a round all year) that gave him a one-stroke lead over Larry Mize, Wayne Westner and Payne Stewart and a two-stroke lead over Woody Austin, Jim Furyk and Allen Doyle. The rest of the field was staggering around like it was clocked by a gigantic haymaker.

"It was tough; the rough is vicious," said Stewart, one of the lucky seven, who bogeyed only one hole. "It is gnarly, nasty stuff. It's awful."

That assessment came from someone who had the good sense not to miss a fairway all day. For those who did, the result was instant bogey and sometimes worse.

Jack Nicklaus found this out. He hit his second shot into greenside rough at the 18th hole, left one pitch in the high grass and came away with a double bogey to cap a round of 77.

Then there was the matter of quicksand in the bunkers. This was a source of some irritation for Curtis Strange, whose ball disappeared beneath some muck in a fairway bunker at the 17th hole.

"It was like the Everglades," said Strange, who had to declare his ball unplayable and finished with consecutive bogeys for a round of 72.

Muirfield Village has had more than 15 inches of rain in the last two months. The rain softened the fairways, but it also grew the rough. Although this 7,118-yard course plays its toughest when it is hard and fast, this combination of soft fairways, long rough and quick greens has given Muirfield sharper teeth.

It chomped golfers great and small. Greg Norman, the defending champion, was three over par through 10 holes before fighting his way back to a one-over round of 73 highlighted by a sand wedge into the hole for a birdie 2 on the 16th hole. Corey Pavin, who didn't miss a fairway, nonetheless shot 75.

Then there was Tom Watson, who, out in 32, struggled home in 38 for a hard-earned 70. It was that kind of day.

Nagy Gets 9th As Indians Stop Brewers

The Associated Press

Charles Nagy became the American League's first nine-game winner and the Cleveland Indians broke a three-game skid with a 2-0 victory over the Milwaukee Brewers Thursday night.

Nagy (9-1) tied his career high with his sixth straight victory, giving up six hits, walking two and striking out five. The game was marred by injuries to

Baseball Roundup

the Brewers' center fielder, Chuck Carr, and the Indians' second baseman, Carlos Baerga. Carr hurt his right knee after making a sensational leaping catch of Julio Franco's deep fly ball in the fourth and Baerga left the game in the fifth with a bruised right hand after being hit by a Ricky Bones (3-8) fastball in the first inning.

The Indians scored in the second on Manny Ramirez's RBI single and Sandy Alomar's RBI double.

White Sox 6, Tigers 2 Wilson Alvarez pitched seven strong innings and Chicago overcame two home runs by Cecil Fielder to beat Detroit. The victory was the 10th in 12 games for the White Sox. Detroit has lost 13 of 14.

Alvarez (6-3) allowed three hits and retired 13 straight batters at one point. He walked one and struck out six. Fielder homered in the sixth, cutting Chicago's lead to 3-1, and in the ninth off Kirk McCaskill. He now has 15 homers for the season.

Omar Olivares (1-2), making his first start since being placed on the disabled list April 19 for a strained hamstring, took the loss.

Red Sox 10, Mariners 1 Tom Gordon pitched a career-best two-hitter and Jose Canseco hit a grand slam as the Boston Red Sox beat the Seattle Mariners.

Gordon (5-2) defeated Seattle for the sixth consecutive time and improved his career record against the Mariners to 12-3, including 7-0 in the Kingdome. Paul Sorrento homered with one out in the fifth inning, his 11th, to ruin Gordon's no-hit bid. Sorrento also singled to lead off the eighth.

Peter Zaugg/The Associated Press
The Brewers' Fernando Vina was forced out by Alvaro Espinoza.

Canseco gave the Red Sox a 6-0 lead against Salomon Torres (0-1) with his slam. Milt Cuyler hit two home runs and Tim Naehring also homered for the Red Sox.

In National League games:

Phillies 3, Dodgers 2 Mickey Morandini slid home just ahead of catcher Tom Prince's tag to cap a two-run, ninth-inning rally and give Philadelphia a victory over Los Angeles.

The Phillies, victimized by a hidden-ball trick early in the game, tied it on Mark Whiten's leadoff homer in the ninth and won on Pete Incaviglia's RBI single. Left fielder Todd Hollandsworth's throw appeared to beat Morandini to the plate, but umpire Gary Darling called Morandini safe.

Mets 1, Giants 0 Paul Wilson scattered three hits over eight innings and Jose Vizcaino drove in just his second run in the month of May in New York's victory over San Francisco.

The victory snapped a four-game losing streak for Wilson (2-5), who struck out eight and did not allow a walk.

John Franco pitched the ninth to earn his 10th save of the season and nail down the Mets third shutout in the last four games.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
Baltimore	28	21	.571	—
New York	28	21	.571	—
Toronto	23	29	.442	6½
Boston	21	30	.412	8
Detroit	13	40	.245	17
CENTRAL DIVISION				
Cleveland	34	17	.667	—
Chicago	31	20	.608	3
Milwaukee	23	27	.460	10½
Minnesota	23	27	.460	10½
Kansas City	24	29	.453	11
WEST DIVISION				
Texas	33	19	.635	—
Seattle	27	24	.529	5½
California	25	26	.491	7½
Oakland	24	27	.471	8½

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Atlanta	34	17	.667	—
Montreal	30	23	.566	5
Philadelphia	26	25	.510	8
Florida	27	26	.509	8
New York	22	29	.431	12
CENTRAL DIVISION				
Houston	27	27	.500	—
St. Louis	23	29	.442	3
Cincinnati	19	27	.413	4
Chicago	21	31	.404	5
Pittsburgh	20	32	.385	6
WEST DIVISION				
San Diego	33	20	.623	—
Los Angeles	28	26	.519	5½
San Francisco	26	25	.510	6
Colorado	25	24	.510	6

THURSDAY'S LINE SCORES

AMERICAN LEAGUE

Detroit 000 001 001—2 6 1
Chicago 000 125 00x—8 10 0
Olivares, Scanlon (6), Keagle (6) and Flaherty; Alvarez, McCaskill (8) and Karkovice. W—Alvarez, 6-3. L—Olivares, 1-2. HRs—Detroit, Fielder 2 (15).

Cleveland 020 000 000—2 6 0
Milwaukee 000 000 000—0 7 0
Nagy, Plunk (8), Assenmacher (8), Mesa (9) and S. Alomar; Bones, Burrows (8), Fetters (9), Lloyd (9) and Matheny. W—Nagy, 9-1. L—Bones, 3-8. Sv—Mesa (20).

Boston 001 142 110—10 11 0
Seattle 000 010 000—1 2 1
Gordon and Stanley; Torres, Davidson (6) and D. Wilson, Manzano (8). W—Gordon, 5-2. L—Torres, 0-1. HRs—Boston, Canseco (14), Naehring (5), Cuyler 2 (2). Seattle, Sorrento (11).

NATIONAL LEAGUE

San Francisco 000 000 000—0 4 1
New York 000 000 01x—1 6 0
Watson and Manwaring; P.Wilson, Franco (9) and Huudley. W—P. Wilson, 2-5. L—Watson, 5-6. Sv—Franco (10).

Los Angeles 100 001 000—2 9 0
Philadelphia 000 000 012—3 12 0
Astacio, Park (8), Td.Worrell (9) and Piazza; Mk.Williams, Borland (8) and Lieberthal. W—Borland, 2-1. L—Td.Worrell, 1-3. HRs—Los Angeles, Hollandsworth (3). Philadelphia, Lieberthal (5), Whiten (5).

Japanese Baseball

CENTRAL LEAGUE

	W	L	Ties	Pct.	GB
Chunichi	25	17	—	.595	—
Hiroshima	26	18	—	.591	0
Yomiuri	23	21	—	.523	3
Yakult	22	23	—	.489	4½
Yokohama	22	24	—	.478	5
Hanshin	15	30	—	.333	11½

FRIDAY'S RESULTS

Yakult 11, Hanshin 2
Hiroshima 20, Yokohama 5

PACIFIC LEAGUE

	W	L	Ties	Pct.	GB
NipponHam	27	19	1	.587	—
Orix	27	20	1	.574	½
Kintetsu	25	21	0	.543	2
Lotte	23	25	1	.479	5
Seibu	21	24	2	.467	5½
Daiei	15	29	1	.341	11

FRIDAY'S RESULTS

Daiei 10, Nippon Ham 1
Orix 4, Lotte 0
Seibu 5, Kintetsu 4

BASKETBALL

NBA Playoffs

CONFERENCE FINALS
(BEST-OF-7)
THURSDAY'S RESULT

Seattle	22	25	20	16—83
Utah	35	24	27	32—118

3: Kemp 10-15 6-10 26, Perkins 5-10 1-1 14, Schrempf 4-8 6-7 14; U: Malone 13-22 6-9 32, Hornacek 6-10 8-8 23. Rebounds—42 (Kemp 14), Utah 40 (Malone 16). Assists—Seattle 19 (Payton 7), Utah 35 (Stockton 12).
(Series tied 3-3)

HOCKEY

NHL Playoffs

CONFERENCE FINALS
(BEST-OF-7)
THURSDAY'S RESULT

Pittsburgh	0	2	1—3
Florida	1	1	2—4

First Period: F-Mellanby 3, Second Period: P-Miller 3 (Roche, Smolinski) 3, P-Dziedzic 1 (Zubov, Daigneault) 4, F-, Lindsay 5 (Fitzgerald, Svehla) Third Period: F-Straka 2 (Lindsay, Murphy) 6, P-Sandstrom 4 (Lemieux, Murray) 7, F-, Niedermayer 3 (Carkner) Shots on goal: P-4-10-9—23. F-11-16-13—40. Goalies: P-Barrasso, F-Vanbiesbrouck.
(Series tied 3-3)

CYCLING

Tour of Italy

Leading results Friday in the 13th stage of the Tour of Italy cycling race, 115 kilometers (71.3 miles) from Loano to Prato Nevoso, Italy: 1, Pavel Tonkov, Russia, Ceramiche Panaria, three hours, 13 minutes, 22 seconds; 2, Pietro Ugumov, Latvia, Rostotto, 2 seconds behind; 3, Enrico Zaina, Italy, Carrera, 21 seconds; 4, Davide Rebellin, Italy, Team Polti, 33 seconds; 5, Herman Buenohora, Colombia, Kelme, same time; 6, Abraham Olano, Spain, Mapei, s.t.; 7, Ivan Gotti, Italy, Gewiss, 36 seconds; 8, Alexandre Shefer, Kazahkistan, Scrigno Blue Storm, s.t.; 9, Joona Laukka, Finland, Festina Lotus, s.t.; 10, Jean Cyril Robin, France, Festina Lotus, 41 seconds.

OVERALL STANDINGS: 1, Tonkov, 55 hours, 21 minutes, 22 seconds; 2, Ugrumov, 20 seconds behind; 3, Zaina, , 38 seconds; 4, Rebellin, 41 seconds; 5, Ivan Gotti, Italy, 1:04 minutes behind; 6, Stefano Faustini, Italy, 1:07 minutes; 7, Olano, 1:31 minutes; 8, Eugeni Berzin, Russia, same time; 9, Wladimir Belli, Italy, 1:40 minutes; 10, Herman Buenahora, Colombia, 1:48 minutes.

SOCCER

SPANISH FIRST DIVISION
PROMOTION PLAY-OFF, FIRST LEG
Extremadura 1, Albacete 0

MAJOR LEAGUE SOCCER
THURSDAY'S RESULT
D.C. 2, NY-NJ 1

STANDINGS: Eastern Conference—Tampa Bay 18; Columbus 9; New England 8; D.C. 9; NY-NJ 5. Western Conference—Los Angeles 21; Dallas 14; Colorado 12; San Jose 12; Kansas City 10.

RUGBY

RUGBY UNION
Northland 15, Scotland 10

RUGBY LEAGUE
OPTUS CUP, 16TH ROUND
Canterbury 12, Illawarra 0

TENNIS

French Open

THIRD ROUND
MEN'S SINGLES
FRIDAY'S RESULTS

Yevgeny Kafelnikov (6), Russia, def. Felix Mantilla, Spain, 6-4, 6-2, 6-2; Richard Krajicek (13), Netherlands, def. Todd Woodbridge, Australia, 7-5, 6-2, 6-2; Francisco Clavet, Spain, def. Guy Forget, France, 6-3, 7-5, 6-3; Jonas Bjorkman, Sweden, def. Chris Woodruff, United States, 7-6 (7-5), 2-6, 4-6, 7-5, 6-4; Scott Draper, Australia, def. Jeff Tarango, United States, 6-1, 6-2, 6-3.

Pete Sampras (1), United States, def. Todd Martin, United States, 3-6, 6-4, 7-5, 4-6, 6-2.

WOMEN'S SINGLES
FRIDAY'S RESULTS

Arantxa Sanchez-Vicario (4), Spain, def. Elena Likhovtseva, Russia, 6-0, 6-0; Magdalena Maleeva (13), Bulgaria, def. Miriam Oremans, Netherl'd, 6-2, 6-1; Jana Novotna (10), Czech Republic, def. Elena Makarova, Russia, 6-1, 7-5; Barbara Rittner, Germany, def. Mary Pierce (12), France, 6-4, 6-2; Anke Huber (6), Germany, def. Sarah Pitkowski, France, 6-2, 6-2.

Monica Seles, (1), United States, def. Sabine Appelmans, Belgium, 6-2, 7-5; Irina Spirlea, Romania, def. Brenda Schultz-Mccarthy (8), Netherlands, 6-3, 3-6, 6-2.

TRANSITIONS

BASEBALL
AMERICAN LEAGUE

BOSTON—Placed OF Kevin Mitchell on 15-day disabled list. Recalled OF Dwayne Hosey from Pawtucket, IL.

SEATTLE—Optioned RHP Edwin Hurtado to Tacoma, PCL. Recalled RHP Paul Menhart from Tacoma. Put RHP Chris Bosio on 15-day disabled list.

TEXAS—Put RHP Kevin Gross on 15-day disabled list, retroactive to May 18. Recalled RHP Rick Helling from Oklahoma City, AA.

TORONTO—Optioned INF Felipe Crespo to Syracuse, IL. Recalled OF Robert Perez from Syracuse. Put RHP Juan Guzman on 15-day disabled list; retroactive to May 22.

NATIONAL LEAGUE

CHICAGO—Signed C Bob Uecker. Signed INF Felix Fermin to minor-league contract.

CINCINNATI—Optioned OF Vince Coleman to Indianapolis, AA.

FLORIDA—Activated RHP Kevin Brown from 15-day disabled list. Optioned RHP Matt Mantei to Charlotte, IL.

PHILADELPHIA—Recalled OF Ricky Otero and RHP Ron Blazier from Scranton-Wilkes-Barre, IL. Put LHP Sid Fernandez on 15-day disabled list. Designated 1B J.R. Phillips for assignment.

BASKETBALL
NATIONAL BASKETBALL ASSOCIATION

CHARLOTTE—Named Dave Cowens coach.

PHOENIX—Named Danny Ainge assistant coach.

FOOTBALL
NATIONAL FOOTBALL LEAGUE

CINCINNATI—Waived G Guy Forsythe.

INDIANAPOLIS—Released LB Scott Radecic.

JACKSONVILLE—Signed C Michael Cheever, CB Aaron Beasley, CB Al Jackson, OT Jimmy Herndon, S John Fisher and WR Clarence Jones. WR Jimmy Smith, WR Clarence Sparks, WR Reggie Barlow and DE Tony Brackens.

NEW ENGLAND—Re-signed LB Chris Slade to 1-year contract.

NEW ORLEANS—Re-signed TE Kirk Botkin to 1-year contract.

IHT Puts Baseball Stats on the Internet
All the box scores and the 1996 schedule on the IHT web site:
http://www.iht.com/IHT/SPORTS/bbl.html

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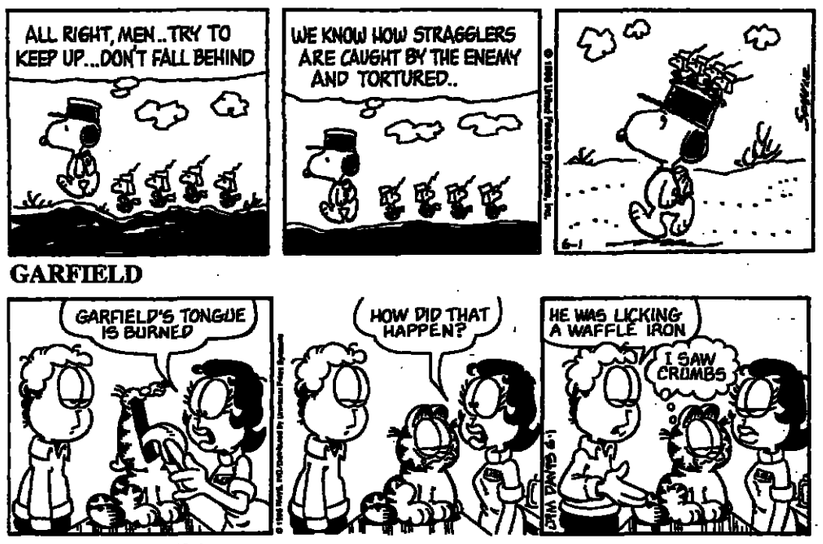
DENNIS THE MENACE

PEANUTS



GARFIELD

CALVIN AND HOBBES

WIZARD of ID

BEETLE BAILEY

THE FAR SIDE

The last thing a fly ever sees

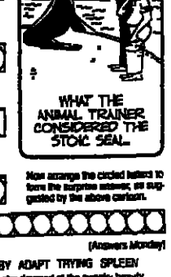
DOONESBURY

JUMBLE®

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

FOBEG
PALLE
DELUVA
DAPRON



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here :

(Answers Monday)

Yesterday's Jumbles: DERBY ADAPT TRYING SPLEEN
Answer: What she dropped at the swanky beauty spa — A "PRETTY" PENNY

BLONDIE

هكذا من الأصل

DAVE BARRY

Some Vacation Suggestions

MIAMI — Once again it's summer vacation time — time to lock up the house, load the kids into the car, fill the tank with gas, then decide which one of the kids you should sell to pay for the gas. Now you're all set! To guarantee that it's the "vacation of a lifetime," I've prepared a special itinerary just for you, featuring a set of unique attractions that I swear I am not making up.

You'll start by driving to . . .

MARSHALL COUNTY, INDIANA. Here you'll visit the historic town of Bremen. According to the Marshall County Convention and Tourism Commission brochure, sent to me by alert reader Chris Straight, Bremen's claim to fame is that "the world's heaviest man died here." The brochure offers no details, except to say that while in Bremen, you can "ask about the casket preparation for the world's heaviest man." Your best bet is to just drive into Bremen, honk at the first person you see, roll down your window and shout: "WHAT ABOUT THE CASKET PREPARATION FOR THE WORLD'S HEAVIEST MAN?" Then you should drum your fingers impatiently on the steering wheel to indicate you need a quick answer, because you're in a hurry to get to your next vacation destination . . .

MACKLIN, SASKATCHEWAN. This is located in Canada, which is legally a foreign country but it's well worth the trip, because Macklin is the proud home of the world's largest fiberglass replica of the ankle bone of a horse. This particular one stands 32 feet high, which makes it taller than any fiberglass horse ankle bone you're going to see in your so-called "sophisticated" cities such as New York or Paris.

The giant ankle bone, which was brought to my attention by reader Marylu Walters, symbolizes a game called "bunnock" ("bones"), in which you try to knock over horse bones by throwing other horse bones at them. According to a brochure put out by the Macklin Bunnock Committee, the game was invented by Russian soldiers in Siberia who "discovered that the ankle bones of a horse could be set up on the frozen ground." The brochure, speculating on what inspired this discovery, suggests "ingenuity," "sheer luck" and "boredom," although I personally think that a strong candidate would be "vodka."

If you're lucky enough to be in Macklin in August, you might witness the World Championship Bunnock Tournament. But as much fun as it is to watch Canadians throw horse bones, you need to move on to . . .

EASTON, MASSACHUSETTS. This, according to a Boston Globe article alertly sent in by Tom Darisse, is the home of the nation's only Shovel Museum. More than 800 shovels! The kids will forget all about Disney World! But you'll have to pry them away, because you're off to . . .

FORT COLLINS, COLORADO. Why Fort Collins? I'll answer that question by quoting, verbatim, the first paragraph of a story from the Feb. 22 Fort Collins Coloradoan, written by Dan Haley and alertly sent in by Glenn Gilbert: "About 200 human gonads are sitting in a freezer at Colorado State University as researchers wait for funding to test them for plutonium."

□

I called Colorado State ("Home of the Frozen Gonads") and spoke with Dr. Shawki Ibrahim, an associate professor in the Department of Radiological Health Sciences. He told me that the gonads were removed during hospital autopsies; researchers want to find out if their plutonium levels correlate with how close their former owners lived to the Rocky Flats nuclear weapons plant. Dr. Ibrahim told me that the gonads are very valuable, and are kept in a locked freezer in a secure area.

"We are sitting on a gold mine here," he said. (Really.)

I definitely see the need for security. You cannot have unsecured gonads in an environment frequented by college students; the potential for pranks is too great. This means you will NOT be able to actually see anything during your visit to Fort Collins. You will, however, be able to say, "Kids, we're standing within a mile or so of about 200 frozen human gonads!"

Trust me, it will be a vacation memory that will remain in their minds for the rest of their lives — even after electroshock therapy.

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Not Quite Jazz: Making the Organ Swing

By Craig R. Whitney
New York Times Service

PARIS — Jazz musicians learn to improvise. Classical musicians learn mostly to perform. But organists learn and study improvisation very seriously indeed in France, which is why five organ students at the National Conservatory climbed the stairs to the loft at the Church of Saint-Ferdinand-des-Ternes recently to learn at the hands and feet of a master improviser, Professsor Loïc Mallié.

Mallié, who relaxed with his pupils over a beer at the brasserie across the street before class, had a message for them. For all the solemnity and the lingering smell of incense in the church, it came down to this: It don't mean a thing if it ain't got that swing.

Henri-Franck Beauperin's assignment was to produce out of thin air a harmonization and variations on a 16th-century German chorale melody in 3/2 time.

"The rhythm makes the variations tricky," Mallié whispered mischievously once his flock was above earshot. He sat back in the darkened sanctuary to listen as the 28-year-old Beauperin, winner of the grand prize in an organ-playing competition in Paris last year, harmonized the chorale melody, played an ornamented variation on it and finished with a fugue à la gigue that did swing, though in a style closer to J.S. Bach than Benny Goodman.

"Bravo!" applauded the professor, who critiqued the performance later, after his four other pupils had had their turns. He took a seat at the console of the 34-stop organ, a modern neoclassic instrument by the French builder Quoirin, effortlessly recreating passages of Beauperin's improvisation from memory and finding fault mainly with how fast he had whizzed along.

"You didn't have time to make the harmony as rich as you could have," he said. "But on the whole it was very good."

Students of organ performance at the Paris conservatory are required to take improvisation as a side course; more advanced practitioners major in improvisation after passing a competitive examination. Mallié, who also teaches in Lyon, has some of each in his classes.

Thus does France keep alive a tradition that has long made its organ virtuosos admired the world over. Marcel Dupré astounded American audiences in the 1920s by improvising whole organ symphonies on themes listeners submitted before his concerts, a tradition continued by such other French virtuosos as Pierre Cochereau and Jean Langlais on overseas concert tours in later years.

Daniel Roth, a successor of Dupré at the Church of Saint-Sulpice in Paris, continues the tradition there, and will demonstrate it in New York on Oct. 3 at the dedication of a new 76-rank instrument being built by Robert M. Turner at the Church of the Holy Family on East 47th Street in Manhattan.

Jean-Marie Hurou/The New York Times

Rich tradition: Professsor Loïc Mallié and students during one of his improvisation classes.

"Improvisation isn't easy at all," Roth said after Mass the other day at the console of the 100-stop Cavaillé-Coll organ at Saint-Sulpice. "You have to study the whole history of music, assimilate the styles of the various periods, and have a thorough knowledge of harmony and music theory even to be able to start, and not everybody can do it well, even fine performers."

Roth improvises during Communion and the offertory at Sunday Mass, frequently using a Gregorian chant melody suited to the particular day of the liturgical year to improvise a postlude.

Improvisationlike settings of such tunes have been a mainstay of the French classical organ repertory for centuries, but with Gregorian chant out of favor in most French parishes since the Second Vatican Council in the 1960s, some fear the French tradition could weaken.

Edward J. Tipton, the organist of the Episcopal-denomination American Cathedral here, said: "There's nowhere near the same emphasis on improvisation in the American organ tradition as there is here. In many American churches, improvisation is usually done to provide bridge music at certain points during a church service: cover, if you will."

Nevertheless, he pointed out, the American Guild of Organists, the main professional group for church musicians in the United States, includes improvisation among the skills needed for certification of advanced ability. The guild will hold its centennial convention in New York City in early July.

"After you get the basics down, the next step is structure," Tipton said. "You may be able to make beautiful sounds, but without structure the music doesn't go anywhere."

That was what Mallié told his students in Saint-Ferdinand-des-Ternes at the end of their two-hour class, during which some had succeeded in giving extraordinary shape and form to their improvisations and others had not.

"I studied composition with Olivier Messiaen, who always used to say you couldn't teach composition," Mallié said. "There are some people who can improvise naturally, they have music and harmony in their heads and fingers, and others to whom it comes only with great effort."

Such jazz greats as Erroll Garner, Duke Ellington and Louis Armstrong fall into the first category, and Mallié clearly does. But, he confessed, he found the rigorous strictures of jazz, like the 12 bars a blues player has in which to improvise a variation, confining and restrictive.

This was not the case for Dorothy J. Papadakos, organist at the Cathedral of St. John the Divine in New York City, who stopped in Paris during a visit to Europe recently. "My main training in improvisation was as a jazz pianist in Reno," she said.

Papadakos, a graduate of the Juilliard School of Music, runs a vespers organ improvisation series Sunday evenings at 7 at St. John the Divine.

Gerard Rancinan/Reuters

Actress Gong Li, who will be the face of the cosmetics firm L'Oréal in Asia.

PEOPLE

IN the record sales sweepstakes, **Garth Brooks** has some friends in low places — 60 million of them. That's how many albums the country star has sold to date, sweeping him past **Billy Joel** to become the best-selling solo musical artist of all time, the Recording Industry Association of American said. Brooks is also closing in on **The Beatles**, the top group which has long held the record of most albums sold, at 71 million with their 28 titles. Brooks has released nine albums. Joel has sold 57 million records, the same number as **The Eagles**, the second-best selling group. . . . **Lari White** is taking her video for the song "Wild At Heart" off country music television networks after complaints that the spoof about a mental hospital was offensive. In the video, reminiscent of the film made from **Ken Kesey**'s novel, "One Flew Over the Cuckoo's Nest," White is a patient in a mental hospital and entices other patients in the ward to dance to the song. White at times sings in a straitjacket. The singer said she pulled the video after hearing from the Alliance for the Mentally Ill and "thus being made aware of the concerns of those with personal experience with mental illness."

□

Georges Perrier, the 52-year-old Lyon native who is the chef at Philadelphia's most acclaimed restaurant, Le Bec-Fin, is back at work after slicing off the tips of his thumb and three fingers last September while changing a blade on a food processor. The fingertips were surgically reattached, but not everything is the same. "The worst is realizing a lot of things I cannot do," he said. "Like cutting tomato diamonds. They are just too small."

□

Eric Roberts says he has squared away his life as far as drugs and booze go, but there's still some distance between him and his movie-star sister, **Julia**. He had complained in the past that Julia showed little compassion when he was on drugs. "The tabloids have blown our relationship out of proportion," he said. "We're 10 years apart and didn't grow up together, and we drifted apart. It's hard to say if we'll make amends later on." Roberts said his life now is on "a positive track" thanks to a 12-step program.

□

Cher says there's a good reason she often dates younger men — the older guys won't have her. "If I waited for men my own age to ask me out, I would never have had a date my entire life. Something about older men, they just don't like me," the 50-year-old singer-actress said.

□

Tupac Shakur has settled a lawsuit filed by a limousine driver who claimed the rapper severely beat him three years ago. Shakur, 24, the Fox network and Interscope Records reached the settlement with driver **David Deleon**. The terms were not disclosed. Deleon claimed he was beaten by Shakur and members of his entourage after he complained about the use of drugs in the limousine. Shakur admitted he was smoking marijuana, but said the driver went into the trunk for what appeared to be a weapon.

□

The French cosmetics group L'Oréal has selected Chinese actress **Gong Li** to promote its products in Asia. Gong Li, who is a top box office draw in Asia, has starred in films by such top Chinese directors as **Zhang Yimou** and **Chen Kaige**.

□

A Japanese anti-smoking organization has criticized **Prime Minister Ryutaro Hashimoto** as "the worst smoker" in the country, saying he was setting a terrible example to the public by his chain-smoking habit.

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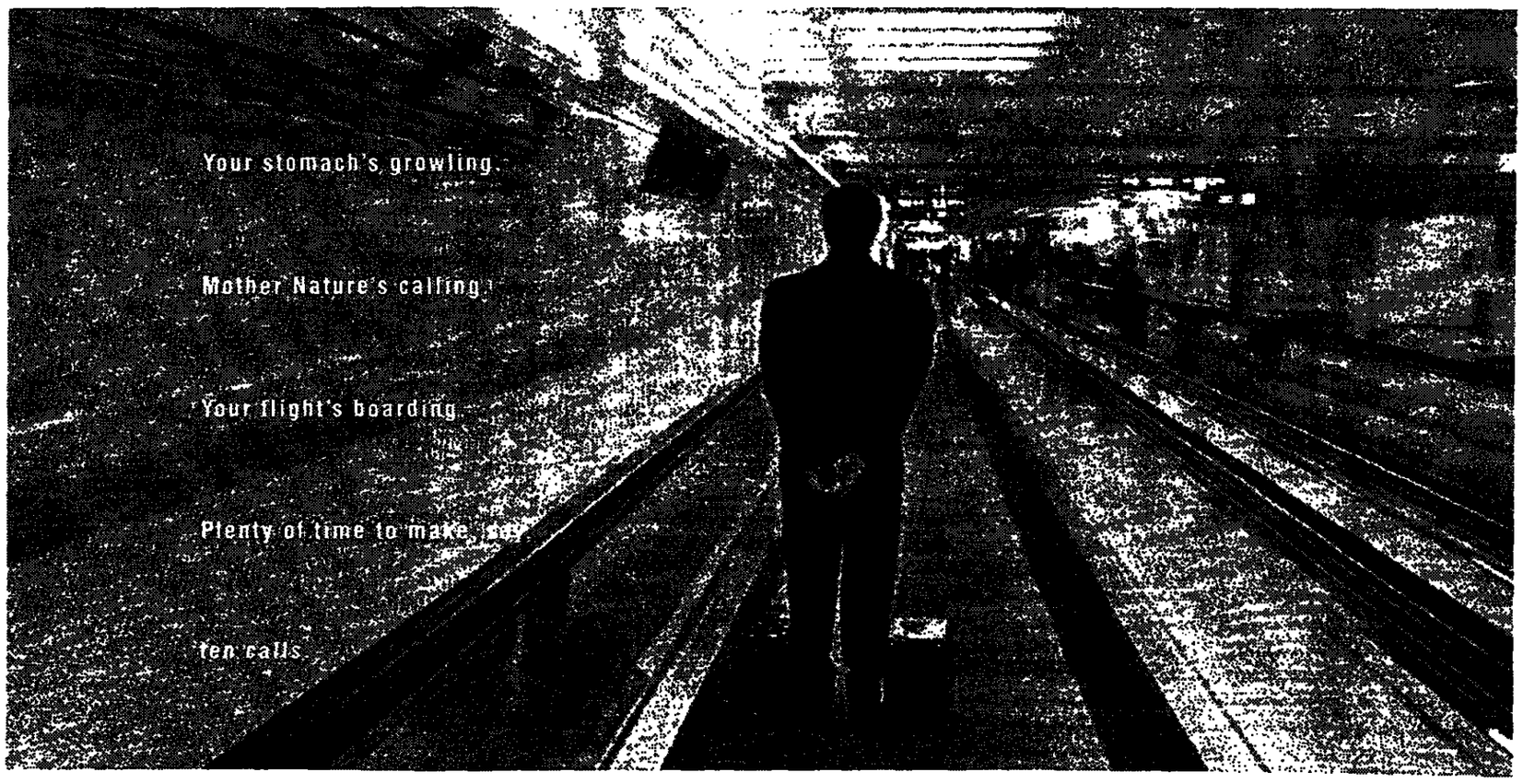
The Berlin State Opera, saying it felt "offended and deceived," has broken off relations with the choreographer **Maurice Béjart** after his sudden decision not to run the company's corps de ballet.



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